

21
No. 89-1909-CFX
Status: GRANTED

Title: Feist Publications, Inc., Petitioner
v.
Rural Telephone Service Company, Inc.

Docketed:
May 29, 1990

Court: United States Court of Appeals
for the Tenth Circuit

Counsel for petitioner: Knobbe, Kyler

Counsel for respondent: Caplinger Jr., James M.,
Askew, Anthony B.

NOTE: see mail label dockt dt.

Entry	Date	Note	Proceedings and Orders
1	May 29 1990	G	Petition for writ of certiorari filed.
2	Jun 28 1990	G	Motion of Association of North American Directory Publishers, et al. for leave to file a brief as amici curiae filed.
3	Jun 28 1990		Brief of respondent Rural Telephone Service Co., Inc. in opposition filed.
4	Jul 3 1990		DISTRIBUTED. September 24, 1990
5	Oct 1 1990		Motion of Association of North American Directory Publishers, et al. for leave to file a brief as amici curiae GRANTED.
6	Oct 1 1990		Petition GRANTED. limited to Question 3 presented by the petition. *****
7	Nov 15 1990		Brief amicus curiae of Third-Class Mail Association filed.
8	Nov 15 1990		Brief amici curiae of Information Industry Association, et al. filed.
9	Nov 15 1990		Brief amicus curiae of Direct Marketing Assn., Inc. filed.
11	Nov 15 1990		Joint appendix filed.
12	Nov 15 1990		Brief amicus curiae of International Association of Cross Reference Directory Pub. filed.
13	Nov 15 1990		Brief amici curiae of North American Directory Publishers, et al. filed.
14	Nov 15 1990		Brief of petitioner Feist Publications, Inc. filed.
15	Nov 15 1990		Brief amicus curiae of Haines and Company, Inc. filed.
10	Nov 16 1990		Forty copies of a lodging received. (Box).
16	Nov 20 1990		Record filed.
		*	Certified copy of original record and proceedings received.
17	Nov 23 1990		SET FOR ARGUMENT WEDNESDAY, JANUARY 9, 1991. (2ND CASE)
18	Nov 27 1990		CIRCULATED.
19	Dec 14 1990	X	Brief amicus curiae of West Publishing Company filed.
20	Dec 14 1990	X	Brief amicus curiae of Association of American Publishers, Inc. filed.
21	Dec 17 1990	X	Brief amicus curiae of GTE Corporation filed.
22	Dec 17 1990	X	Brief amici curiae of Ameritech, et al. filed.
23	Dec 17 1990	X	Brief amicus curiae of National Telephone Cooperative Association filed.
24	Dec 17 1990	X	Brief of respondent Rural Tel. Serv. Co., Inc. filed.
25	Dec 17 1990	X	Brief amicus curiae of respondent Bellsouth Corporation

Entry	Date	Note	Proceedings and Orders

			filed.
26	Dec 17 1990	X Brief amicus curiae of United States Telephone Association	
			filed.
27	Dec 27 1990	X Reply brief of petitioner Feist Publications, Inc. filed.	
28	Jan 9 1991		ARGUED.

89-1909

Supreme Court, U.S.
FILED

MAY 29 1990

JOSEPH F. SPANIOL, JR.
CLERK

No. _____

IN THE SUPREME COURT OF THE UNITED STATES
OCTOBER TERM, 1989

FEIST PUBLICATIONS, INC., Petitioner

v.

RURAL TELEPHONE SERVICE COMPANY, INC.,
Respondent

PETITION FOR A WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS FOR
THE TENTH CIRCUIT

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QUESTIONS PRESENTED

1. Can a telephone company copyright its directory of the phone numbers it has assigned to subscribers under its granted monopoly status, refuse to grant a license to those directory listings to a competing independent directory publisher, then use a copyright infringement action to enforce its refusal and prevent self-help access by the competitor to the telephone company's directory?
2. If such a refusal to deal is found to be an anti-trust violation, would the copyright infringement action amount to "copyright misuse," thereby preventing enforcement of the copyright under a theory similar to that of "patent misuse"?
3. Does the copyright in a telephone directory by the telephone company prevent access to that directory as a source of names and numbers to compile a competing directory, or does copyright protection extend only to the selection, coordination, or arrangement of those names and numbers?

LIST OF PARTIES AND RULE 29.1 LIST

There are no parties to this proceeding not revealed by the caption.

Feist Publications, Inc. has no parent company. Feist Publications, Inc. owns 79 percent of Feist Management, Inc. There are no other subsidiaries.

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IN THE SUPREME COURT OF THE UNITED STATES
OCTOBER TERM, 1989

FEIST PUBLICATIONS, INC., Petitioner

v.

RURAL TELEPHONE SERVICE COMPANY, INC.,
Respondent

PETITION FOR A WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS FOR
THE TENTH CIRCUIT

Petitioner, Feist Publications, Inc., respectfully prays that a writ of certiorari issue to review the judgment and opinion of the United States Court of Appeals for the Tenth Circuit, entered in the above entitled proceeding on March 8, 1990.

OPINIONS BELOW

The opinion of the Court of Appeals for the Tenth Circuit is not reported. It is reprinted in the appendix hereto, p. 1a, *infra*.

The opinion of the United States District Court for the District of Kansas is reported at 663 F.Supp. 214 (D. Kan. 1987), and is reprinted in the appendix hereto, p. 5a, *infra*.

JURISDICTION

On March 8, 1990, the United States Court of Appeals for the Tenth Circuit entered its Order and Judgment affirming the determination of the District Court. No petition for rehearing was sought.

The jurisdiction of this Court to review the judgment of the Tenth Circuit is invoked under 28 USC §1254 (1).

STATUTES INVOLVED

The statutes involved are set forth in the appendix hereto, p. 19a, *infra*. Those are:

Copyright Statutes:

17 USC §101. Definitions

17 USC §103. Subject Matter of Copyright:
Compilations and Derivative Works

17 USC §107. Limitations on Exclusive Rights:
Fair Use

Anti-Trust Statute:

15 USC §2. Monopolizing trade a felony; penalty.

STATEMENT OF THE CASE

Respondent, Rural Telephone Service Company, Inc. ("RTSC") is a telephone company granted monopoly status to provide telephone service to subscribers in designated areas of northwest Kansas. In conjunction with its provision of telephone service, RTSC compiles an annual telephone directory covering its telephone service area. RTSC copyrights its telephone directory each

year. The telephone directory is a typical "phone book" printed partly on white pages and partly on yellow pages. The portion printed on white pages lists in alphabetical order the names, addresses, and telephone numbers of RTSC's telephone subscribers. The yellow pages contain advertising.

Petitioner, Feist Publications, Inc. ("Feist") also publishes telephone directories containing white page listings of telephone subscribers and yellow page advertising. Feist, however, is not a telephone company with monopoly status. Since 1978, Feist has published and distributed a Northwest Kansas AREA-WIDE Telephone Directory which combines the entire fifteen county northwest Kansas trade area, including RTSC's service area, into one combined directory.

Feist began its publication of the Northwest Kansas AREA-WIDE Telephone Directory by requesting license agreements with the various telephone companies serving the combined areas to be covered by the Feist directory. Through these license agreements, the telephone companies agreed to annually sell Feist a list of their white page listings to be used by Feist in its directory. (The yellow pages are not at issue; each publisher sells and prepares its own.)

RTSC refused to enter into a license agreement with Feist.

Unable to purchase the RTSC white page listings, Feist used the RTSC telephone directory as a source and edited it by sorting the RTSC listings out by town and alphabetizing them. Feist then sent these various lists, broken down by towns, to verifiers it had hired in these towns with instructions to telephone each of the listings taken from the RTSC directory, and to attempt to verify each name, address, and telephone number. After the verifiers had carried out their instructions, they sent

the lists back to Feist with pencilled in notes reflecting deletions, additions, and any other changes to be added to Feist's directory. Feist did not attempt a door to door canvass of the RTSC telephone service area which covers portions of eleven of the fifteen counties in north-west Kansas covered by the Feist directory.

RTSC inserted 28 fictitious listings in its 1980-81 directory, its 1981-82 directory, and its 1982-83 directory. None of them appeared in the earlier Feist 1980, 1981, or 1982 Northwest Kansas AREA-WIDE telephone directories. Four of the 28 fictitious listings appeared in Feist's 1983 Northwest Kansas AREA-WIDE telephone directory.

RTSC then filed this copyright infringement action alleging Feist violated the copyright laws by copying white page listings (name, address, telephone number) from RTSC's telephone directory. Feist answered alleging that its actions did not amount to copyright infringement; that there was no "outright" copying of RTSC's telephone directory and the presence of four "fictitious" listings from over 4,900 total listings was *de minimis*; that Feist's use of RTSC's telephone directory was "fair use"; and that RTSC's refusal to license those white page listings after a reasonable request by Feist was an anti-trust violation amounting to "copyright misuse" preventing enforcement of the copyright.

Feist also filed a counter-claim alleging RTSC's refusal to license its white page listings to Feist after reasonable requests was an anti-trust violation under the "essential facility" and/or "intent to monopolize" theory of §2 of the Sherman Anti-Trust Act; i.e., that the refusal to deal was an unlawful attempt by RTSC to exclude Feist as a competitor in the yellow page advertising market.

RTSC moved for summary judgment on the copyright claim and moved to dismiss the anti-trust counter-claim. Feist cross moved for summary judgment on the copyright claim and asked the Court to view the copyright issue and anti-trust issue together rather than separately. The District Court severed the copyright and anti-trust claims and decided the summary judgment in favor of RTSC and the motion to dismiss in favor of Feist. At a later hearing, the District Court received evidence and exhibits as to the copyright infringement then awarded statutory damages in the amount of \$6,000 and attorney fees to RTSC.

Feist filed its appeal to the Tenth Circuit. On March 8, 1990, the Tenth Circuit, in an unpublished opinion affirmed for "substantially the reasons given by the District Court."

District Court jurisdiction was based on 28 USC §1338. Tenth Circuit jurisdiction was based on 28 USC §1291.

[The related, but severed, anti-trust counter-claim was decided in Feist's favor on April 5, 1990. See *Rural Telephone Service Company, Inc. v. Feist Publications, Inc.*, _____ F.Supp._____, 1990 W.L. 38980 (D. Kan) 58 U.S.L.W. 2633 (D. Kan. 1990). RTSC has filed a motion for reconsideration which is still pending.]

REASONS FOR GRANTING THE WRIT

I

The District Court and the Tenth Circuit below have both misconstrued this Court's decision in *U.S. v. Loews, Inc.*, 371 U.S. 38 (1962).

The District Court below, in refusing to consider Feist's "copyright misuse" defense held that the doctrine "has never been extended by the Supreme Court to copyright infringement actions." (663 F.Supp. at 220) citing *United States v. Loews, Inc.*, 371 U.S. 38, 45 (1962). The Tenth Circuit's unreported opinion, while not citing *Loews* directly, affirms for "substantially the reasons given by the District Court."

That is an erroneous reading of *Loews* which should be corrected by this Court. This Court's opinion in *Loews*, 371 U.S. 38, at 50, in fact suggests that copyright misuse as a defense to a claim for infringement would be upheld in the proper circumstances in a manner similar to the patent misuse defense. Other authorities agree that this is the suggestion of *Loews*. [See 3 *Nimmer on Copyright*, §13.09[A] at 13-144; 16 F.J. von Kalinowski, *Antitrust Laws and Trade Regulations*, §59.08 (2) (a) (1985).]

The Fifth Circuit in *Mitchell Bros. Film Group v. Cinema Adult Theater*, 605 F.2d 852 at 865 (5th Cir. 1979) has also indicated in *dicta* that "in an appropriate case a misuse of the copyright statute that in some way subverts the purpose of the statute—the promotion of originality—might constitute a bar to judicial relief."

This is such an "appropriate case" involving those "proper circumstances" which calls for instruction from this Court.

This is not a "theft" case where an independent directory publisher simply appropriates all listings from a phone company's directory without any request for a license to use those listings. Feist first requested a license for RTSC white page listings which it considered essential to the publication of a competing directory. RTSC refused to license white page listings to Feist. When Feist was forced to attempt compilation by self

help use of the RTSC directory in its verification process, RTSC sued Feist herein to forbid that access.

The "misuse" doctrine was developed by this Court in *Morton Salt Co. v. G.S. Suppiger Co.*, 314 U.S. 448 (1942) to prevent an attempt by a patent holder to use a valid patent in a salt machine to restrict competition in the unpatented salt tablet market. Similarly, here, the phone company should not be allowed to use its copyright in the listings it has assigned under its phone service monopoly to restrict competition in the unregulated yellow page advertising market.

By refusing to give Feist access to the white page listings necessary to compete in the directory publishing business, and then attempting to use this claim of copyright infringement to prevent competition from Feist, RTSC has misused its copyright in violation of appropriate anti-trust laws. [The fact of RTSC's anti-trust violation under §2 of the Sherman Act is reported in *Rural Telephone Service Company, Inc., v. Feist Publications, Inc.*, _____ F. Supp. _____, 1990 WL 38980 (D. Kan.), 58 U.S.L.W. 2633 (D. Kan., Apr 05, 1990) (No. 83-4086-R) where the severed anti-trust counter-claim portion of this action was decided in Feist's favor.]

The misuse here is inherent, not collateral. It subsists in the very matter upon which this suit was brought—to refuse access to the white page listings which are essential to publication of a competing directory. [See Note, "Redefining Copyright Misuse," 81 *Columbia Law Review* 1291 (1981).]

The courts below need specific directions from this Court on how to apply the copyright misuse defense. If, as held below, there is no such defense, then this Court should specifically say so and repudiate its *dicta* in *Loews*. If there is such a defense, then it should be

specifically set forth for copyrights -- just as it is for patents [*Morton Salt, supra*] and trademarks [15 USC §1115(7)].

II

The decisions below continue a misunderstanding of how copyright law applies to public domain material and a split in principle among the Circuits on the proper test for copyright in a compilation of facts.

The effect of the decision below is to freeze access to public domain materials—to facts which should be available to subsequent compilers in order to promote the public's access to information.

The late Professor Nimmer made this same point in discussing the line of cases commencing with *Leon v. Pacific Tel. & Tel. Co.*, 91 F.2d 484 (9th Cir. 1937):

"The desire of the Courts in the line of cases above described [*Leon v. Pacific Tel.*] to protect the industriousness of the researcher is both understandable and in a sense commendable. It is submitted, however, that *these cases are incorrect in that they fail to apply the standard of originality as it is understood in the law of copyright*.... Protection for the fruits of such research may in certain circumstances be available under a theory of unfair competition. But to accord copyright protection on this basis alone distorts basic copyright principles in that *it creates a monopoly in public domain materials without the necessary justification of protecting and encouraging the creation of 'writings' by 'au-*

thors'.... It is to be hoped that the courts in construing Section 103 (b) of the current Copyright Act will avoid the error of the above line of cases." [1 M. Nimmer, *Nimmer on Copyrights*, §3.04, footnotes omitted; emphasis added.]

The Ninth Circuit itself has rejected its own *Leon v. Pacific Tel.* reasoning, "to the extent that *Leon* suggests that research or labor is protectable." *Worth v. Selchow & Righter Co.* 827 F.2d 569, 573 (9th Cir. 1987).

The copyrightability of telephone directories as a whole is not the issue of this case. Feist agrees that directories are copyrightable under the law. Feist copyrights its directories and if a third party copied Feist's directory compilation with no independent verification or other selection or rearrangement, that copying should be enjoined. However, RTSC cannot copyright its white page listings and thereby refuse that essential facility to Feist. To draw an analogy, West Publishing Company cannot copyright the decisions of the Federal Courts; such decisions may be likened to the white page listings of RTSC. All West can copyright are its format, key numbers, and its synopsis of the case. Similarly, all RTSC should be able to copyright are its format and organization in its pages, together with any authored forward text and yellow page advertising.

The copyright is in the compilation—the way the directory is put together as a whole. It prevents others from copying pages of the directory as their own. It should not prevent others from using the directory as a source, since the phone company is the source of phone numbers. Feist did not copy the RTSC pages or compilation; Feist's compilation and the listings themselves differ from RTSC's [except for 4 fictitious listings out of 28 total fictitious ones and out of 4,935 total listings.]

A decision from this Court holding the copyright in a collection of facts (such as a directory) protects only those elements showing sufficient selection, coordination, or arrangement to constitute original authorship would also resolve a split in principle among the Circuits.

Based on the decisions below, the Tenth Circuit has apparently adopted the "sweat of the brow" test which holds that the investment of labor and effort is sufficient to warrant copyright protection for a compilation, including its component parts (i.e., its facts). This is also the view of the Seventh and Eighth Circuits. [See *Rockford Map Publishers, Inc., v. Directory Service Co.*, 768 F.2d 145 (7th Cir. 1985), cert. denied, 106 S. Ct. 806 (1986); *Hutchinson Telephone Co. v. Fronteer Directory Co.*, 770 F.2d 128 (8th Cir. 1985).]

It is submitted that the better reasoned rule which this Court should instruct the Circuits to follow is that the only element of a compilation of facts that can be protected by copyright is the originality in its selection and arrangement. This is the rule of the Second, Fifth, Ninth, and Eleventh Circuits. [See *Southern Bell Tel. & Tel. Co. v. Associated Tel. Dir. Publ.*, 756 F.2d 801, 809-10 (11th Cir. 1985); *Cooling Systems & Flexibles, Inc. v. Stuart Radiator, Inc.*, 777 F.2d 485, 491 (9th Cir. 1985); *Financial Information, Inc. v. Moody's Investors Service, Inc.*, 751 F.2d 501, 506 (2nd Cir. 1984); *Eckes v. Card Prices Update*, 736 F.2d 859, 862-63 (2nd Cir. 1984); *Miller v. Universal City Studios, Inc.*, 650 F.2d 1365, 1369-70 (5th Cir. 1981).]

Even where a collection of facts meets the standards of originality and authorship necessary to constitute a copyrightable compilation, the facts themselves contained in the work remain in the public domain, free for

others to copy. (See e.g. *Miller, supra*, 650 F.2d at 1369-70.) As the Eleventh Circuit has explained:

"[A] telephone directory compilation whose components are comprised exclusively of information in the public domain can be protected by copyright laws only as to the selection and arrangement of the compilation, the work as a whole, and not as to the pre-existing information." (*Southern Bell Tel., supra*, 756 F.2d at 810.)

Accordingly, "the mere use of the information contained in the directory without a substantial copying of the format does not constitute infringement...." (*Southern Bell Tel., supra*, 756 F.2d at 810, citing *Miller, supra*.)

If the courts below are correctly instructed on copyright law, the public will benefit through greater access to information.

CONCLUSION

The import of this decision extends beyond the two parties herein. Yellow page advertising revenue in the United States is expected to exceed \$8 billion in 1990. National policy in the entire telecommunication industry is to encourage competition. [*U.S. v. AT&T*, 552 F.Supp. 131 (D. D.C. 1982), aff'd *sub nom Maryland v. U.S.* 460 U.S. 1001 (1983).] The decisions below are contrary to that national policy in this very important industry.

Feist got out there and competed to bring telephone directory innovations [Copyright Transcript, pp 60-62] to the consumers of northwest Kansas. That type of

competition and innovation, by Feist or others, should be encouraged by this Court, not eliminated under the lower courts' concept of copyright law. This Petition for Certiorari should be granted to correct copyright interpretation in this important area and explain this Court's decision in *U.S. v. Loews* with regard to copyright misuse.

Respectfully submitted,

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APPENDIX

UNITED STATES COURT OF APPEALS
TENTH CIRCUIT

RURAL TELEPHONE)	
SERVICE COMPANY, INC.,)	
)	
Plaintiff-Appellee,)	
)	
v.	)	No. 88-1679
	)	(D.C. No. 83-4086)
FEIST PUBLICATIONS, INC.,	)	(D. Kan.)
)	
Defendant-Appellant.)	

ORDER AND JUDGMENT*

Before TACHA and EBEL, Circuit Judges, and
KANE, District Judge.**

This appeal is from an order of the district court
awarding summary judgment in favor of plaintiff Rural
Telephone Service Company, Inc., (Rural), finding that

* This order and judgment has no precedential value
and shall not be cited, or used by any court within the
Tenth Circuit, except for purposes of establishing the
doctrines of the law of the case, res judicata, or collateral
estoppel. 10th Cir. R. 36.3.

** The Honorable John L. Kane, Jr., District Judge,
United States District Court for the District of Colorado,
sitting by designation.

defendant Feist Publications, Inc. (Feist) violated the federal copyright laws by copying the white pages of Rural's 1982-83 telephone directory. After a Rule 54(b) certification by the district court on the copyright infringement issue, defendant appeals alleging that the district court erred in finding that Feist's activities in compiling the independent telephone directory constituted a copyright infringement and in awarding attorney's fees and damages. We affirm.

As a part of its telephone service to its cooperative members in Northwest Kansas, Rural compiles, publishes and distributes an annual telephone directory covering its telephone service area. The 1982-83 Rural telephone directory was marked with an appropriate copyright notice identifying Rural as the copyright proprietor and indicating the year of publication. Feist publishes and distributes a northwest area-wide telephone directory which covers some of the same geographical areas as Rural's directory. The undisputed facts show that Feist was unable to purchase the Rural white page listings so Feist took the Rural telephone directory, edited it, and used only the listings that covered its area of service. Those listings were sorted by towns and alphabetized. The lists were then sent to verifiers in each of the communities to verify the telephone numbers and addresses. Feist's directory contained the information derived in this way. The district court relied on the substantial precedent which holds that a telephone directory is a compilation copyrightable under the United States copyright laws. *E.g.*, *United Tel. Co. v. Johnson Publishing Co.*, 855 F.2d 604, 607-08 (8th Cir. 1988); *Hutchinson Tele. Co., v. Fronteer Directory Co.*, 770 F.2d 128, 132 (8th Cir. 1985); *Southern Bell Tele. & Tele. Co. v. Associated Tele. Directory Publishers*, 756 F.2d 801, 809-10 (11th Cir. 1985); *South-*

ern Bell Tele. Co. v. Nationwide Indep. Directory Serv., Inc., 371 F.Supp. 900, 905 (W.D. Ark. 1974). The district court found that the use of Rural's materials by Feist was neither *de minimis*, *e.g.*, *Warner Bros. Inc. v. American Broadcasting Cos., Inc.*, 720 F.2d 231, 242 (2d Cir. 1983) (*de minimis* rule allows copying of small and usually insignificant portion of copyrighted work), nor "fair use" and therefore constituted an infringement of the copyright laws, *e.g.*, *Rockford Map Publishers, Inc. v. Directory Serv. Co.*, 768 F.2d 145, 149-50 (7th Cir. 1985) (copying map compilation), *cert. denied*, 476 U.S. 1061 (1986); *Central Tele. Co. v. Johnson Publishing Co.*, 526 F.Supp. 838, 843 (D. Colo. 1981) (copying telephone directory). We find no error in these determinations of the district court. We further agree with the district court that allegations of antitrust violations do not constitute defenses to a claim of copyright infringement. *E.g.*, *Harms, Inc. v. Sansom House Enters.*, 162 F.Supp. 129, 135 (E.D. Pa. 1958), *aff'd sub nom. on other grounds, Leo Feist, Inc. v. Lew Tandler Tavern, Inc.*, 267 F.2d 494 (3d Cir. 1959); *Buck v. Cecere*, 45 F.Supp. 441, 441-2 (W.D. N.Y. 1942); *Buck v. Newsreel, Inc.*, 25 F.Supp. 787, 789 (D. Mass. 1938). *Contra M. Witmark & Sons v. Jensen*, 80 F.Supp. 843, 850 (D. Minn. 1948), *appeal dismissed*, 177 F.2d 515 (8th Cir. 1949). Statutory damages and attorneys' fees are within the discretion of the district court. *E.g.*, *Hartman v. Hallmark Cards, Inc.*, 833 F.2d 117, 122 (8th Cir. 1987) (copyright attorneys' fees award reviewed under abuse of discretion standard); *Harris v. Emus Records Corp.*, 734 F.2d 1329, 1335 (9th Cir. 1984) (copyright statutory damages award reviewed under abuse of discretion standard). Under the circumstances of this case, we find no abuse of discretion in the award of statutory damages of

\$6,000 and attorneys' fees. We AFFIRM for substantially the reasons given by the district court.

ENTERED FOR THE COURT

Deanell Reece Tacha
Circuit Judge

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF KANSAS

RURAL TELEPHONE)	
SERVICE COMPANY, INC.,)	
Plaintiff,)	
)	
vs.	)	Case No. 83-4086
)	
FEIST PUBLICATIONS, INC.)	
)	
Defendant.)	
)	

MEMORANDUM AND ORDER

This is a copyright infringement and antitrust action. Plaintiff, Rural Telephone Service Company, Inc., (RTSC), contends that the defendant, Feist Publications, Inc. (Feist), violated the copyright laws by copying the white pages of its 1982-83 telephone directory. Feist contends that RTSC has violated the antitrust laws by attempting to exclude it as a competitor in the yellow pages advertising market. This matter is presently before the court upon RTSC's motion for summary judgment on its copyright infringement claim, Feist's motion for summary judgment on the copyright infringement claim, and RTSC's motion to dismiss the antitrust claim. Oral argument has been requested but the court deems it unnecessary.

Before we address the pending motions, we find it necessary to consider one point raised by Feist in its response to RTSC's motion for summary judgment and cross-motion for summary judgment. Feist suggests that the court should not consider RTSC's infringement claim and Feist's antitrust claim separately. Feist con-

tends that the two claims are related and must be viewed together. The court recognizes that the evidence in this case applies to both claims. Nevertheless, we do believe that the claims are independent of each other and should be considered separately. *See, e.g., National Business Lists, Inc. v. Dun & Bradstreet, Inc.*, 552 F.Supp. 89 (N.D. Ill. 1982) and *National Business Lists, Inc. v. Dun & Bradstreet, Inc.*, 552 F.Supp. 99 (N.D. Ill. 1982). Accordingly, the court shall examine each claim separately in this order.

The court shall proceed to the copyright infringement claim. Both sides have moved for summary judgment. Summary judgment is, of course, only appropriate if no triable issue of material facts exists. *Buell Cabinet Co., Inc. v. Sudduth*, 608 F.2d 431, 433 (10th Cir. 1979). The material facts on the copyright infringement claim are not in dispute and, thus, summary judgment may properly be entered.

RTSC is a Kansas corporation, duly organized and existing under the laws of the State of Kansas to transact the business of a public utility. In the normal course of business, RTSC compiles, prepares, publishes and distributes telephone directories covering the geographical areas in which it provides telephone service. The telephone directories have been copyrighted and the copyrights have been registered each year as published. The 1982-83 telephone directory, which is the subject of this lawsuit, is marked with an appropriate copyright notice identifying RTSC as the copyright proprietor and indicating the year of publication. RTSC's telephone directories are printed partly on white pages and partly on yellow pages. The portion printed on white pages lists in alphabetical order the names, addresses and telephone numbers of RTSC's telephone subscribers. The portion printed on yellow pages lists RTSC's busi-

ness subscribers alphabetically under the appropriate business classifications and contains classified advertisements of various sizes purchased by RTSC's business subscribers.

Feist is also a Kansas corporation. Feist publishes and distributes telephone directories. Since 1978, Feist has published and distributed a Northwest AREA-WIDE Telephone Directory. This directory covers some of the same geographical areas as the directory produced by RTSC but also covers some additional areas. The directory contains white pages and yellow pages similar to the RTSC directory. The directory also contains a red page community interest section and a blue page government and school information section.

Feist began its publication of the Northwest AREA-WIDE Telephone Directory by attempting to enter into license agreements with the various telephone companies serving the area covered by the directory. Through these license agreements, the telephone companies agreed to annually sell Feist a list of their white page listings to be used by Feist in its directory. RTSC was the only telephone company in the area covered by the Northwest AREA-WIDE Telephone Directory that did not enter into a license agreement with Feist. Thus, Feist in 1978, unable to purchase the RTSC white page listings, took the RTSC telephone directory and edited it by taking out all of the listings they could not use and using the remainder of the RTSC directory. Once this was accomplished, Feist sorted these listings out by town and alphabetized them. Feist then sent the various lists, broken down by towns, to verifiers it had hired in each of the towns that the directory would cover, with instructions to telephone each of the listings taken from the RTSC directory, and to attempt to verify each name, address and telephone number. After the verifiers had

carried out their instructions, they sent the lists back to Feist with penciled in notes reflecting deletions, additions and any other changes. Concurrently with the work of the verifiers, salesmen working for Feist solicited ads for the yellow pages section of the Feist directory. The ads which were purchased then appeared in printed form in the yellow pages section of Feist's 1978 Northwest Kansas AREA-WIDE Telephone Directory which was delivered to people in various northwest Kansas counties.

In the following years, 1979 through 1982, Feist published an annual Northwest AREA-WIDE Telephone Directory. Feist used RTSC's telephone directory to a limited extent during those years. Feist generally relied upon its own previous directory and made additions and deletions through the use of verifiers. In 1983, Feist decided to change the date of publication of its directory. Based upon this change, Feist decided it was advantageous to again make full use of the RTSC directory. Feist used RTSC's directory in the same manner as in 1978.

RTSC, suspicious of Feist infringing its copyright, inserted in its 1982-1983 telephone directory a number of fictitious listings. When Feist's 1983 Northwest Kansas AREA-WIDE Telephone Directory was published and disseminated, four fictitious listings that were inserted in RTSC's 1982-1983 telephone directory appeared in the Feist directory.

RTSC contends that the aforementioned facts show that Feist infringed its copyright by copying its 1982-1983 copyrighted telephone directory without permission. Feist asserts a number of defenses to RTSC's contention. The court shall examine the various contentions made by both sides.

To prevail on a claim of copyright infringement, a plaintiff must show ownership of a valid copyright and

that there was copying by the defendant. *Wickham v. Knoxville International Energy Exposition, Inc.*, 739 F.2d 1094, 1097 (6th Cir. 1984). Feist has raised several matters which dispute RTSC's contention that these requirements have been satisfied in this case.

Plaintiff has attached to its complaint a copy of the Certificate of Registration of its copyright for its telephone directory published for the period 1982-1983. Such evidence entitles the plaintiff to a prima facie presumption of copyright validity and ownership. 17 U.S.C. §410 (c). The defendant has the burden of overcoming the presumption of validity. *Williams Electronics, Inc. v. Artic International, Inc.*, 685 F.2d 870, 873 (3d Cir. 1982).

Feist challenges RTSC's copyright by contending that telephone directories are not copyrightable subject matter. The issue of whether telephone directories are copyrightable is well-settled. Courts have consistently held that telephone directories are copyrightable. *Hutchinson Telephone Co. v. Fronteer Directory Co.*, 770 F.2d 128 (8th Cir. 1985); *Southern Bell Telephone & Telegraph Co. v. Associated Telephone Directory Publishers*, 756 F.2d 801 (11th Cir. 1985); *Leon v. Pacific Telephone & Telegraph Co.*, 91 F.2d 484 (9th Cir. 1937); *Central Telephone Co. of Virginia v. Johnson Publishing Co.*, 526 F.Supp. 838 (D. Colo. 1981); *Southwestern Bell Telephone Co. v. Nationwide Independent Directory Service, Inc.*, 371 F.Supp. 900 (W.D. Ark. 1974); *Southern Bell Telephone & Telegraph Co. v. Donnelly*, 35 F.Supp. 425 (S.D. Fla. 1940); *Cincinnati and Suburban Bell Telephone Co. v. Brown*, 44 F.2d 631 (S.D. Ohio 1930); *Hartford Printing Co. v. Hartford Directory & Publishing Co.*, 146 F. 332 (D. Conn. 1906). The court does not find the defendant's arguments to the contrary, which are based on Professor Nimmer's comments in

Nimmer on Copyright (1986), persuasive. See Demicola, Copyright in Collections of Facts: A Theory for the Protection of Nonfiction Literary Works, 81 *Colum.L.Rev.* 516, 527-535 (1981). The court holds that the white pages of a telephone directory constitute original work of authorship and are, therefore, copyrightable under either the provisions of 17 U.S.C. §102 or §103. *Hutchinson Telephone Co. v. Fronteer Directory Co.*, *supra*, at 131-32. Accordingly, we find that the plaintiff has demonstrated a valid copyright for its 1982-1983 telephone directory.

The court shall next move to the requirement of copying. This element may be shown by either an admission of copying by the defendant, or by the indirect route of proving access to the directory and substantial similarity between the plaintiff's and defendant's works. *Central Telephone Co. of Virginia v. Johnson Publishing Co.*, *supra*, at 843. Of course, one of the most significant evidences of copying is the copying of errors. *Financial Information, Inc. v. Moody's Investors Service, Inc.*, 599 F.Supp. 994, 996 n. 3 (S.D. N.Y. 1984); *Central Telephone Co. of Virginia v. Johnson Publishing Co.*, *supra*, at 844.

RTSC submits that the evidence is uncontroverted that Feist copied its 1982-1983 telephone directory. RTSC points to the admission of Feist that it used the RTSC directory to produce its directory. Feist admitted that it began with the RTSC directory, edited out all of the listings it could not use, and then compiled a list that it could use. This list was then sent to verifiers to be verified. RTSC also points to the evidence that fictitious names listed in its telephone directory were reproduced in Feist's directory.

In defense, Feist argues that any notion of outright copying is dispelled because of the lack of "substantial

similarity" between the two directories. Feist further suggests that the presence of the four fictitious listings is *de minimis* and, thus, not actionable. Feist also contends that the copying that occurred was a "fair use" of the material and, therefore, not an infringement. Finally, Feist asserts that RTSC's violation of the anti-trust laws precludes recovery for copyright infringement.

The evidence before the court clearly establishes that the defendant copied the plaintiff's directory. Tom Feist, one of the owners of the defendant, admitted in his deposition that the plaintiff's 1982-1983 directory was extensively used to prepare a portion of his company's directory. These statements constitute an admission that plaintiff's directory was copied. In light of this admission, the court finds it unnecessary to consider the defendant's contentions that copying did not occur. The "substantial similarity" test is used when there is no direct evidence of copying. See *Durham Industries, Inc. v. Tomy Corp.*, 630 F.2d 905, 911-12 (2d Cir. 1980). Since we have direct evidence of copying in this case, we need not resort to an analysis of whether there was a substantial similarity between the two directories. The fact that the defendant may have reorganized the material it gained from the plaintiff or may have added other material does not preclude a finding of infringement. *Leon v. Pacific Telephone & Telegraph Co.*, *supra*, at 486-87; *Central Telephone Co. of Virginia v. Johnson Publishing Co.*, *supra*, at 844. Moreover, the *de minimis* rule does not save the defendant. The *de minimis* rule allows the literal copying of a small and usually insignificant portion of a copyrighted work. *Warner Brothers, Inc. v. American Broadcasting Companies, Inc.*, 720 F.2d 231, 242 (2d Cir. 1983). Here, there is no question

that the white pages of plaintiff's directory were extensively used by the defendant.

There is also an alternative ground for proof of copying by Feist—the presence of the fictitious listings inserted into plaintiff's directory and later present in the defendant's directory. This, of course, naturally presents strong evidence of copying and confirms the admission by the defendant that it extensively used the plaintiff's directory.

The court shall next consider the defendant's assertion of the "fair use" defense. The fair use doctrine, codified in 17 U.S.C. §107, allows persons other than the owner of a copyright to use copyrighted material in a reasonable manner without his consent, notwithstanding the monopoly granted to the owner of the copyright. *Rubin v. Boston Magazine Co.*, 645 F.2d 80 (1st Cir. 1980). Section 107 provides that the "fair use" of a copyrighted work is not an infringement where it is for purposes such as criticism, comment, news reporting, teaching, scholarship or research. Section 107 sets forth the following factors to consider in determining whether such a defense should be allowed:

- (1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes;
- (2) the nature of the copyrighted work;
- (3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and
- (4) the effect of the use upon the potential market for or value of the copyrighted work.

The fair use analysis, however, must always be tailored to the individual case. *Harper & Row, Publishers, Inc. v. Nation Enterprises*, 471 U.S. 539, 552 (1985). The test that has been applied to the use of an existing compilation by a compiler of a directory is succinctly stated in *Central Telephone Co. of Virginia v. Johnson Publishing Co.*, *supra*, at 843:

Courts recognize that a compiler of a directory may make fair use of an existing compilation if he first makes an independent canvass, then merely compares and checks his own compilation with that of the copyrighted publication and publishes the result after verifying the additional items derived from the copyrighted publication. *Northwestern Telephone Systems, Inc. v. Local Publications, Inc.*, 208 U.S.P. Q. 257, 258 (D. Mont. 1979). Since the copyright covers the compilation of the information and not the individual names and addresses, if there is substantial copying from the plaintiff's work without an independent canvass initially, the resulting work will be an infringement even when the defendant later verifies the material by checking the plaintiff's original sources. *Nimmer*, §8.01[E]; see *Jeweler's Circular Publishing Co. v. Keystone Publishing Co.*, 281 F.83 (2nd Cir.), *cert. denied*, 259 U.S. 581, 42 S.Ct. 464, 66 L.Ed. 1074 (1922).

The court believes that this standard is still the one to be applied in telephone directory cases. The application of this rule indicates that Feist cannot utilize the fair use doctrine in this case. The uncontroverted evidence before the court reveals that the defendant extensively used the plaintiff's directory without first con-

ducting an independent canvass. Thus, even though the defendant later verified the material, the defendant clearly infringed the plaintiff's copyright.

As a final defense, Feist seeks to extend the "patent misuse" doctrine to the facts of this case. The patent misuse doctrine arose in a series of cases involving alleged infringement of patents. In *Morton Salt Co. v. G.S. Suppiger Co.*, 314 U.S. 488 (1942) and *Mercoird Corp. v. Mid-Continent Investment Co.*, 320 U.S. 680 (1944), the Supreme Court held that where a patentee is using his patent to gain economic control over unpatented products, a court of equity may decline to protect his invention against infringement. Feist wishes to extend this doctrine to this case by alleging that RTSC is an antitrust violator and, thus, should not be able to obtain relief in a copyright infringement action.

The doctrine, however, has never been extended by the Supreme Court to copyright infringement actions. In *United States v. Loew's, Inc.*, 371 U.S. 38, 45 (1962), the Court recognized that copyright owners may sometimes enjoy analogous market dominance over their copyrighted articles enabling them to exert anticompetitive pressure in non-copyrighted articles, but did not extend the "patent misuse" doctrine to copyright infringement actions. Lower courts have generally been unwilling to find that antitrust violations constitute a defense to copyright infringement actions. See, e.g., *Orth-O-Vision, Inc. v. Home Box Office*, 474 F.Supp. 672, 686 (S.D. N.Y. 1979); *Peter Pan Fabrics, Inc. v. Candy Frocks, Inc.*, 187 F.Supp. 334, 336 (S.D. N.Y. 1960); *Harms, Inc. v. Sansom House Enterprises, Inc.*, 162 F.Supp. 129, 135 (E.D. Pa. 1958). This court is also unwilling to make this leap. We concur with prior case law which holds that antitrust violations do not constitute a defense to copyright infringement.

In sum, the court finds that plaintiff's motion for summary judgment should be granted and defendant's motion for summary judgment denied. The court shall grant plaintiff judgment on its copyright claim. The court notes that plaintiff has requested attorney's fees. The court, in its discretion, may award attorney's fees to the prevailing party in a copyright infringement action. 17 U.S.C. §505. The court finds that this is an appropriate case for the award of attorney's fees to the plaintiff. The amount to be awarded shall be decided following the decision on damages which will be considered at a later date.

The court shall next move to plaintiff's motion to dismiss the defendant's counterclaim. RTSC contends that Feist's antitrust claim fails to state a claim upon which relief can be granted. RTSC suggests that the court convert its motion into a motion for summary judgment because matters outside the pleadings are referred to in the motion. Having carefully reviewed the arguments of the parties, the court finds that plaintiff has demonstrated neither its entitlement to dismissal or summary judgment on the antitrust claim. Plaintiff's motion is deficient in that it fails to recognize all of the allegations made by the defendant. Accordingly, the court shall deny plaintiff's motion to dismiss the defendant's counterclaim.

IT IS THEREFORE ORDERED that plaintiff's motion for summary judgment on its copyright infringement claim be hereby granted. Plaintiff shall also be awarded attorney's fees on this claim. The amount of attorney's fees as well as the proper measure of damages shall be determined in the future.

IT IS FURTHER ORDERED that defendant's motion for summary judgment is hereby denied.

IT IS FURTHER ORDERED that plaintiff's motion to dismiss be hereby denied.

IT IS SO ORDERED.

Dated this 5th day of January, 1987 at Topeka, Kansas.

/s/ Richard D. Rogers
United States District Judge

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF KANSAS

RURAL TELEPHONE)	
SERVICE COMPANY INC.,)	
Plaintiff,)	
)	
vs.	)	Case No. 83-4086-R
)	
FEIST PUBLICATIONS, INC.,)	
)	
Defendant.)	
_____)	

ORDER

On January 5, 1987, the court granted summary judgment to Rural Telephone Service Company, Inc. (RTSC) on its copyright infringement claim against Feist Publications, Inc. On January 11, 1988, the court held a hearing on the amount of damages to be awarded RTSC on this claim. The purpose of this order is to memorialize the ruling made by the court following the hearing.

The only issues left for determination on the copyright claim are whether the infringement was willful and the appropriate amount of damages. The copyright law provides that a prevailing party may seek damages in the form of actual damages, such as lost revenue, 17 U.S.C. §504(b), or alternatively, in the form of "statutory" damages ranging from \$250 to \$10,000 for each incident of infringement, 17 U.S.C. §504(c)(1). Statutory damages up to \$50,000 may be awarded if the infringement is found to be willful. 17 U.S.C. §504(c)(2). RTSC seeks relief in the form of statutory damages.

RTSC asserts that the actions of Feist were willful and they seek damages in the amount of \$50,000.

The determination of statutory damages for copyright infringement is left to the discretion of the court. *Morley Music Co. v. Dick Stacey's Plaza Motel, Inc.*, 725 F.2d 1, 3 (1st Cir. 1983). Among the factors to be considered in awarding statutory damages are (1) the expenses saved and profits reaped by the defendant in connection with the infringement; and (2) the revenues lost by the plaintiff. *Nick-O-Val Music Co., Inc. v. P.O.S. Radio, Inc.*, 656 F.Supp. 826, 829 (M.D. Fla. 1987).

Having carefully considered all of the evidence presented at the hearing, the court finds that the conduct of Feist was not willful. The court shall award damages in the amount of \$6,000 to RTSC. This is a fair and reasonable figure given all of the circumstances in this case.

In our previous order, we granted attorney's fees to RTSC on its copyright infringement claim. The parties should make some effort to resolve this aspect of the case pursuant to the guidelines established in Local Rule 220. The issue of the amount of attorney's fees should be submitted to the court if no agreement is reached by the parties.

IT IS THEREFORE ORDERED that judgment be entered for the plaintiff in the amount of \$6,000 on its copyright infringement claim.

IT IS SO ORDERED.

Dated this 13th day of January, 1988 at Topeka, Kansas.

/s/ Richard D. Rogers
United States District Judge

STATUTES INVOLVED

17 USC §101. DEFINITIONS

As used in this title, the following terms and their variant forms mean the following:

...

A "compilation" is a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship. The term "compilation" includes collective works.

...

The terms "including" and "such as" are illustrative and not limitative.

17 USC §103. SUBJECT MATTER OF COPYRIGHT: COMPILATIONS AND DERIVATIVE WORKS

- (a) The subject matter of copyright as specified by section 102 includes compilations and derivative works, but protection for a work employing preexisting material in which copyright subsists does not extend to any part of the work in which such material has been used unlawfully.
- (b) The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the

preexisting material employed in the work, and does not imply any exclusive right in the preexisting material. The copyright in such work is independent of, and does not affect or enlarge the scope, duration, ownership, or subsistence of, any copyright protection in the preexisting material.

17 USC §107. LIMITATIONS ON EXCLUSIVE RIGHTS: FAIR USE

Notwithstanding the provisions of section 106, the fair use of a copyrighted work, including such use by reproduction in copies or phonorecords or by any other means specified by that section, for purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research, is not an infringement of copyright. In determining whether the use made of a work in any particular case is a fair use the factors to be considered shall include—

- (1) The purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes;
- (2) The nature of the copyrighted work;
- (3) The amount and substantiality of the portion used in relation to the copyrighted work as a whole; and
- (4) The effect of the use upon the potential market for or value of the copyrighted work.

15 USC §2. MONOPOLIZING TRADE A FELONY; PENALTY

Every person who shall monopolize, or attempt to monopolize, or combine or conspire with any other person or persons, to monopolize any part of the trade or commerce among the several States, or with foreign nations, shall be deemed guilty of a felony, and, on conviction thereof, shall be punished by fine not exceeding one million dollars if a corporation, or, if any other person, one hundred thousand dollars, or by imprisonment not exceeding three years, or by both said punishments, in the discretion of the court.

3

No. 89-1909

U.S. Supreme Court, D.C.
FILED
JUN 28 1990
JOSEPH F. SPANIEL, JR.
CLERK

In The
Supreme Court of the United States
October Term, 1989

FEIST PUBLICATIONS, INC.,
Petitioner,
v.

RURAL TELEPHONE SERVICE COMPANY, INC.,
Respondent.

RESPONDENT'S BRIEF IN OPPOSITION
TO PETITION FOR WRIT OF CERTIORARI
TO THE UNITED STATES COURT
OF APPEALS FOR THE TENTH CIRCUIT

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OR CALL COLLECT (402) 342-2801

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QUESTION PRESENTED

Whether the United States Court of Appeals for the Tenth Circuit properly affirmed the United States District Court for the District of Kansas' decision that Petitioner did not make "fair use" of Respondent's telephone directory thereby infringing Respondent's copyrighted telephone directory, and that Respondent's alleged antitrust violation is not a defense to Petitioner's copyright infringement?

LIST OF PARTIES AND RULE 29.1 LIST

There are no parties to this proceeding not revealed by the caption.

Rural Telephone Service Company, Inc., has no parent company. Rural Telephone Service Company, Inc., owns 100% of RTSC Communications, Inc. There are no other subsidiaries.

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STATEMENT

Respondent, Rural Telephone Service Company, Inc., ("Rural") is a Kansas non-profit corporation duly organized and existing under the laws of the State of Kansas to provide telephone service to its cooperative members in northwest Kansas. In conjunction with its provision of telephone service, Rural compiles, prepares, publishes, and distributes an annual telephone directory covering the telephone service area. Each and every annual telephone directory is copyrighted and registered with the proper authorities. The 1982-1983 Rural telephone directory, which is the subject of this action, was marked with an appropriate copyright notice identifying Rural as the copyright proprietor and indicating the year of publication. Rural's telephone directories are printed partly on white pages and on yellow pages. The portion printed on white pages lists in alphabetical order the names, addresses, and telephone numbers of Rural's telephone member subscribers.

Feist is a Kansas for-profit corporation. Feist publishes and distributes telephone directories in Kansas, Oklahoma, and Texas. Since 1978, Feist has published and distributed a Northwest AREA-WIDE Telephone Directory which covers some of the same geographical areas as the telephone directory published and distributed by Rural, but also covers some additional areas.

Feist began its publication of the Northwest AREA-WIDE Telephone Directory by attempting to enter into license agreements with the various telephone companies serving the area covered by the directory. Through these license agreements, the telephone companies agreed to

annually sell Feist a list of their white page listings to be used by Feist in its directory. Rural was the only telephone company in the area covered by the Northwest AREA-WIDE Telephone Directory that did not enter into a license agreement with Feist. However, other telephone companies in other directory areas also chose not to license with Feist. Feist, in 1978, unable to purchase the Rural white page listings, took the Rural telephone directory and edited it by taking out all of the listings they could not use and used the remainder of the Rural directory. Once this was accomplished, Feist sorted these listings out by town and alphabetized them. Feist then sent the various lists, broken down by towns, to verifiers it had hired in each of the towns that the directory would cover with instructions to telephone each of the listings taken from the Rural directory and attempt to verify each name, address, and telephone number. After the verifiers had carried out their instructions, they sent the lists back to Feist with penciled-in notes reflecting deletions, additions and any other changes.

In the following years, 1979 through 1982, Feist published an annual Northwest AREA-WIDE Telephone Directory. Feist used Rural's telephone directory to a limited extent during those years. Feist generally relied upon its own previous directory and made additions and deletions through the use of verifiers. In 1983, Feist decided to change the date of publication of its directory. Based upon this change, Feist decided it was advantageous to make full use of the Rural directory by simply copying Rural's telephone directory.

Rural, suspicious of Feist infringing its copyright, inserted in its 1982-1983 telephone directory a number of

fictitious listings. When Feist's 1983 Northwest AREA-WIDE Telephone Directory was published and disseminated, fictitious listings that were inserted in Rural's 1982-1983 telephone directory appeared in the Feist directory.

Rural contends that the aforementioned facts show that Feist infringed its copyright by copying its 1982-1983 copyrighted telephone directory without permission. The United States District Court for the District of Kansas and the United States Court of Appeals for the Tenth Circuit agreed with Rural's contention and issued judgments to the same.

The District Court and the Tenth Circuit both specifically ruled that courts have consistently held that telephone directories are copyrightable and that antitrust violations do not constitute a defense to a claim of copyright infringement.

SUMMARY OF ARGUMENT

Feist's petition for writ of certiorari, even though ambiguous at best, makes the argument that telephone directories should not be afforded the same protection from infringement as other compilations, and that antitrust violations should constitute a defense to a claim of copyright infringement. The District Court and the Tenth Circuit did not err in upholding the long line of case law in finding that telephone directories are copyrightable, are afforded copyright protection, can be used by others

under a "fair use" analysis; and antitrust violations do not constitute defenses to claims of copyright infringement.

ARGUMENTS

I.

TELEPHONE DIRECTORIES ARE COPYRIGHTABLE AND AFFORDED COPYRIGHT PROTECTION.

Courts have uniformly and consistently held that telephone directories are copyrightable:

Central Telephone Company of Virginia v. Johnson Publishing Co., Inc., 526 F.Supp. 838 (D.Colo. 1981); *Cincinnati and Suburban Bell Telephone Co. v. Brown*, 44 F.2d 631 (S.D. Ohio 1930); *Hutchinson Telephone Co. v. Fronteer Directory Co.*, 770 F.2d 128 (8th Cir. 1985); *Illinois Bell Telephone Company v. Haines and Company, Inc.*, 85 C O7644, Northern District of Illinois Eastern Division, Minute Order, April 13, 1988; *Jeweler's Circular Publishing Co. v. Keystone Publishing Co.*, 281 F. 83 (2nd Cir.), cert. denied, 259 U.S. 581, 42 S.Ct. 464, 66 L.Ed. 1074 (1922); *Leon v. Pacific Tel. & Tel. Co.*, 91 F.2d 484 (9th Cir. 1937); *Hartford Printing Co. v. Hartford Directory & Publishing Co.*, 146 F. 332 (D.Conn. 1906); *Northwestern Bell Telephone Co. v. Bedco of Minnesota, Inc.*, 501 F.Supp. 299 (1980); *Northwestern Telephone Systems, Inc. v. Local Publications, Inc.*, 208 U.S.P.Q. 257 (D.Mont. 1979); *Southern Bell Telephone & Telegraph Co. v. Donnelly*, 35 F.Supp. 425 (S.D.Fla. 1940); *Southern Bell Telephone and Telegraph Company v. Associated Telephone Directory Publishers*, 756 F.2d 801 (11th Cir. 1985); *Southwestern Bell Telephone Co. v. Nationwide Independent Directory Service, Inc.*, 371 F.Supp. 900 (W.D.Ark. 1974);

United Telephone Co. of Missouri v. Johnson Publishing Co., 671 F.Supp. 1514 (W.D.Mo. 1987); *United Telephone Co. v. Johnson Publishing Co.*, 855 F.2d 604 (8th Cir. 1988).

II.

THE LAW ALLOWS "FAIR USE" OF A TELEPHONE DIRECTORY

Courts have uniformly and consistently held that under a "fair use" analysis a compiler of a directory may make "fair use" of an existing compilation if he first makes an independent canvass, then merely compares and checks his own compilation with that of the copyrighted publication and publishes the result after verifying the additional items derived from the copyrighted publication. Since the copyright covers the compilation of the information and not the individual names and addresses, if there is substantial copying from the plaintiff's work without an independent canvass initially, the resulting work will be an infringement even when the defendant later verifies the material by checking the plaintiff's original sources:

Central Telephone Company of Virginia v. Johnson Publishing Co., Inc., 526 F.Supp. 838 (D.Colo. 1981); *Harper & Row Publishers, Inc. v. National Enterprises*, 471 U.S. 539 (1985); *Jeweler's Circular Publishing Co. v. Keystone Publishing Co.*, 281 F. 83 (2nd Cir.), cert. denied, 259 U.S. 581, 42 S.Ct. 464, 66 L.Ed. 1074 (1922); *Northwestern Telephone Systems, Inc. v. Local Publications, Inc.*, 208 U.S.P.Q. 257 (D.Mont. 1979).

The District Court and the Tenth Circuit were correct in finding that Feist, by simply copying Rural's telephone directory, failed to make "fair use" of Rural's telephone directory.

III.

FEIST IS INCORRECT WHEN IT STATES THAT WHITE-PAGE LISTINGS ARE AN ESSENTIAL FACILITY TO A PUBLISHER

Courts have *uniformly and consistently* held that a telephone company's white pages listings are not considered as an essential facility under antitrust laws:

Directory Sales Management Corp. v. Ohio Bell Telephone Co., 833 F.2d 606 (6th Cir. 1987); *White Directory of Rochester, Inc. v. Rochester Telephone Corp.*, 714 F.Supp. 65 (W.D.N.Y. 1989); *Rural Telephone Service Company, Inc. v. Feist Publications, Inc.*, ___ F.Supp. ___, 1990 W.L. 38980 (D.Kan.), 58 U.S.L.W. 2633 (D.Kan. 1990)

IV.

ANTITRUST VIOLATIONS ARE NOT AND HAVE NEVER BEEN A DEFENSE TO A CLAIM OF COPYRIGHT INFRINGEMENT

Courts have also *uniformly and consistently* held that antitrust violations do not constitute defenses to a claim of copyright infringement:

Orth-O-Vision, Inc. v. Home Box Office, 474 F.Supp. 672, 686 (S.D. N.Y. 1979); *Peter Pan Fabric, Inc. v. Candy Frocks, Inc.*, 187 F.Supp. 334, 336 (S.D. N.Y. 1960); *Harms, Inc. v. Sansom House Enterprises, Inc.*, 162 F.Supp. 129, 135 (E.D.Pa. 1958); *Leo Feist, Inc. v. Lew Tandler Tavern, Inc.*, 267 F.2d 494 (3d Cir. 1959); *Buck v. Newsreel, Inc.*,

25 F.Supp. 787, 789 (D.Mass. 1938); *Buck v. Cecere*, 45 F.Supp. 441, 441-2 (W.D. N.Y. 1942); *Contra M. Witmark & Sons v. Jensen*, 80 F.Supp. 843, 850 (D.Minn. 1948).

CONCLUSION

Respondent would respectfully submit that Petitioner has failed again to consider the seventy-five years of unfettered case law in the area of copyright law relating to telephone directories and their use by others; and that antitrust violations do not constitute a defense to a claim of their infringement. Petitioner cannot cite one case in the area of copyright or antitrust law contradicting the voluminous number of cases in support of Respondent's copyright claim and the District Court and Tenth Circuits opinions in favor of Respondent. Petitioner's case presents absolutely no significant or important reason for granting a writ of certiorari.

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(913) 232-0495

Attorneys for Respondent
Counsel of Record

(10)
No. 89-1909

Supreme Court, U.S.

FILED

NOV 15 1990

JOSEPH E. STANWELL, JR.

CLERK

IN THE
SUPREME COURT OF THE UNITED STATES
OCTOBER TERM, 1989

FEIST PUBLICATIONS, INC.,

Petitioner

v.

RURAL TELEPHONE SERVICE COMPANY, INC.

Respondent

ON WRIT OF CERTIORARI TO THE UNITED STATES
COURT OF APPEALS FOR THE TENTH CIRCUIT

JOINT APPENDIX

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PETITION FOR CERTIORARI FILED MAY 29, 1990
CERTIORARI GRANTED OCTOBER 1, 1990

SPEARVILLE NEWS, INC. (316) 385-2200

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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF KANSAS
(Before Honorable Richard D. Rogers)

CIVIL DOCKET SHEET

Docket No. 83-4086

Plaintiff	Defendant
RURAL TELEPHONE	FEIST PUBLICATIONS,
SERVICE COMPANY,	INC.
INC.	

DATE	NR.	PROCEEDINGS
<u>1983</u>		
Mar 23	1	Complaint w/Affidavit of H.J. Austerman & Exhibits (EXHIBITS CONTAINED IN SEPARATE FOLIO)
Jun 2	8	ANSWER & COUNTER-CLAIM
Jun 15	14	ANSWER of pltf to deft's COUNTER-CLAIM
<u>1984</u>		
Mar 2	21	MOTION of Pltf ofr S/J of Copyright Infringement
Mar 15	25	OPPOSITION of Deft to Pltf's motion for s/j and deft's cross motion for s/j
Mar 15	26	MEMORANDUM of Deft in support of opposition to pltf's motion for s/j and in support of deft's cross motion of s/j
Apr 3	28	REPLY of Pltf to Deft's Memo in Support of Opposition to Pltf's Motion for S/J and Pltf's response to Deft's Cross-Motion for S/J
<u>1987</u>		
Jan 05	30	MEMORANDUM AND ORDER-ENTERED-ROGERS-J: Pltf's motion for s/j on its copyright infringement claim be hereby granted. Pltf shall also be awarded atty's fees on this claim. The amount of atty's fees as well as the proper measure of

damages shall be determined in the future. It is further ordered that deft's motion of s/j be hereby denied. Pltf's motion to dismiss is denied cc: to counsel

[Docket Sheet pg. 3]

FILE #3

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|--------|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Oct 23 | 65 | PRETRIAL CONFERENCE ORDER-COPYRIGHT CLAIMS ONLY-ENTERED-ROGERS J: Counsel will exchange proposed exhibits & lists of witnesses & shall file w/clerk lists by 11/20/87. Pltf will prepare, file & serve 10 days prior to trial a summary of anticipated testimony of witnesses & other evidence party plans to offer; a trial brief or memorandum of law. Deft will prepare, file & serve foregoing at least 5 days prior to trial. Court finds this case is at issue. Add'l discovery can be done by agreement of the parties but any such add'l discovery shall not delay the trial of this case. Case will be tried in Topeka, Ks. ETT - 1 day cc: to counsel |
| Nov 19 | 68 | Pltf's proposed exhibits & lists of witnesses |
| Nov 23 | 69 | Deft's list of witnesses & list of proposed exhibits |
| Dec 31 | 72 | Deft's list of witness & list of proposed exhibits |
| Dec 31 | 73 | Pltf's list of witnesses, anticipated testimony & exhibits |
| Dec 31 | 74 | TRIAL BRIEF of pltf on the issue of copyright infringement damages |

1988

FILE #4

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|-------|----|------------------------------------------------------------------|
| Jan 5 | 75 | Deft's list of witnesses and proposed exhibits (second revision) |
| Jan 7 | 76 | Deft's list of witnesses, anticipated testimony, & exhibits |

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| Jan 7 | 77 | TRIAL BRIEF of deft on the issue of copyright infringement damages |
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[Docket Sheet pg 4]

1988

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|--------|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Jan 11 | 79 | TRIAL TO COURT, At Topeka, Rogers-J: Trial began & ended 1/11/88. Trial only as to copyright infringement damages. Deft's motion for reconsideration of court's ruling granting S/J on copyright issue—denied. Court finds that there was copyright infringement, but it was not willful. Damages awarded in the amount of \$6,000. Attorneys should try & reach an agreement as to attys fees. Pltf's and deft's oral motion to withdraw all exhibits—granted |
| Jan 13 | 80 | ORDER-ENTERED-ROGERS-J: Judgment entered for pltf in amt of \$6,000 on its copyright infringement claim (EOD 1/13/88) cc: to counsel |
| Feb 10 | 85 | Deft's notice of transcript order - transcript due 3-4-88 |
| Feb 11 | 87 | MOTION of deft for entry of Rule 54(b) Certification |

[Docket Sheet pg 5]

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|--------|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Feb 26 | 92 | Transcript of proceedings on January 11, 1988 |
| Mar 22 | 97 | RULE 54(b) Certification-Entered-Rogers-J: Court directs entry of final judgment as to copyright infringement claim. Judgment entered for pltf in amt of \$6,000 on copyright infringement claim & \$15,280 atty's fees on copyright infringement claim. Court expressly determines that there is no just reason for delay w/regard to copyright claim & expressly directs the Clerk to enter judgment. Every issue in the copyright part of |

Mar 22 98 this matter is final as to claims of both parties (EOD 03/22/88) CC: to counsel Judgment on decision by the Court: Judgment entered for pltf in amt of \$6,000 on copyright infringement claim & \$15,280 atty's fees on copyright infringement claim (EOD 03/22/88) cc: to counsel

Apr 19 100 NOTICE OF APPEAL of Deft \$105.00 copies mailed to James M. Caplinger, Jr., Kyler Knobbe and Robert L. Hoecker, Clerk, United States Court of Appeals with copy of docket entries

Apr 19 DOCKETING STATEMENT of the Defendant mailed to USCA

[Docket Sheet pg 6]

1989

Mar 13 116 LETTER from USCA dated 3/10/89, regarding designation of record on appeal and directing record be transmitted on or before 4/10/89. (Designation of Deft/Appellant & Pltf/Appellee attached.)

Apr 5 Transmitted Record on Appeal - Volumes 1-3 (Volume 2 consists of the original attachments to pleading #1) to USCA

Apr 14 117 RECEIPT from USCA for Record on Appeal

1990

Apr 2 119 MANDATE-ENTERED-USCA: (EOD 4/3/90) 88-1679

Judgment of the district court is AFFIRMED.

Jun 18 128 copies: James M. Caplinger; Kyler Knobbe LETTER from USCA stating that a petition for writ of cert was filed 5/29/90 & assigned Supreme Ct. No. 89-1909

UNITED STATES COURT OF APPEALS
FOR THE TENTH CIRCUIT

GENERAL DOCKET

88-1679 Rural Telephone v. Feist Publications

[Docket pg 4]

5/2/88 [179460] Civil case docketed. Preliminary record filed. Transcript order form due 4/29/88 for Debra L. Dody pursuant to R.42.1 Docketing statement due 5/12/88 for Feist Publications Appellant/Petitioner's brief due 5/31/88 for Feist Publications Appellant's designation of record due 5/31/88 for Feist Publications (hh) [88-1679]

5/2/88 [190614] Docketing statement filed by Feist Publications in 88-1679. Original and 3 copies c/s: y. Feist Publications in 88-1679 (mt) [88-1679]

5/6/88 [181432] Notice of appearance filed by Kyler Knobbe in 88-1679 as attorney for Feist Publications is 88-1679. (lwb) [88-1679]

5/9/88 [181750] Notice of appearance filed by James M. Caplinger in 88-1679 as attorney for Rural Telephone in 88-1679. (mt) [88-1679]

5/31/88 [190782] Appellant's brief filed by Feist Publications in 88-1679. Original and 11 copies. c/s: yes. Served on 5/28/88 Feist Publications in 88-1679, Appellee's brief due 6/30/88 for Rural Telephone Service. (mt) [88-1679]

6/9/88 [188100] Order filed by RLH - Transcript order form due 6/20/88 for Debra L. Dody pursuant to Rule 42., - docketing statement due 6/20/88 for Feist Publications pursuant to Rule 42. (lwb) [88-1679]

6/13/88 [190894] Order filed by RLH - designation of record due 6/23/88 for Feist Publications pursuant to Rule 42. (mt) [88-1679]

6/15/88 [198054] Notice filed that the transcript necessary is already on file in the district court. Debra

6/15/88 L. Dody in 88-1679 (mt) [88-1679]
 [198062] Designation of record filed by Appellant Feist Publications in 88-1679. Original and 1 copies. [88-1679] (mt) [88-1679]

6/27/88 [225526] Designation of record filed by Appellee Rural Telephone in 88-1679. Original and 1 copies. [88-1679] (lwb) [88-1679]

6/27/88 [225534] Appellee's brief filed by Rural Telephone in 88-1679. Original and 11 copies. c/s: y. Served on 6/24/88 Appellant's optional reply brief due 7/11/88 for Feist Publications Rural Telephone in 88-1679 (lwb) [88-1679]

7/11/88 [233622] Appellant's reply brief filed by Feist Publications in 88-1679. Original and 11 copies. c/s: y Feist Publications in 88-1679 (lwb) [88-1679]

[Docket pg 5]

3/10/89 [333234] Order filed by Judge Holloway - Record on Appeal due 4/10/89 for Richard D. Rogers pursuant to Rule 11.1. (klb) [88-1679]

4/7/89 [339764] Record on appeal filed: 1, 2, 3 Volume(s) - Copy filed in Volume(s)(y/n): n. Vol. I - pleadings; Vol. II - ORIGINAL ATTACHMENTS; Vol. III - transcript. (lwb) [88-1223 88-1679]

8/28/89 [371895] Hearing set for November 1989 Session, at Denver. (sls)[88-1596 88-1679 88-2045 88-2300 88-2448 88-2699]

10/19/89 [383474] Appellant's settlement conference report filed. Original & 10 copies (mt) [88-1679]

11/16/89 [388863] Case argued and submitted to Judges Tacha, Ebel, Kane. (dvc) [88-1679]

3/8/90 [412677] Terminated on the Merits after Oral Hearing; Affirmed; Written, Signed, Unpublished. Tacha, authoring judge; Ebel, panel member; Kane, panel member. [88-1679] (klb) [88-1679]

3/30/90 [41787] Mandate issued. Mandate receipt due 4/30/90 Record on appeal return due 7/30/90 (klb) [88-1679]

4/4/90 [420003] Mandate receipt filed. (klb) [88-1679]

6/14/90 [435943] Petition for writ of certiorari filed on 5/29/90 by Appellant Feist Publications. Supreme Court Number 89-1909 (mt) [88-1679]

10/9/90 [460342] Supreme Court order dated 10/1/90 granting certiorari limited to Question 3 presented by the petition filed. (mt) [88-1679]

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF KANSAS

RURAL TELEPHONE SERVICE)	
COMPANY, INC.,)	
)	
Plaintiff)	
)	
vs	)	Civil Action File
	)	No. 83-4086
FEIST PUBLICATIONS, INC.,)	
Defendant.)	

COMPLAINT

COMES NOW the plaintiff, Rural Telephone Service Company, Inc. and for its complaint states:

1. Plaintiff brings this action in copyright infringement. Plaintiff charges that defendant copied in a telephone directory published by the defendant, listings from plaintiff's copyrighted telephone directory in violation of the Copyright Act of 1909. 17 U.S.C.A. §1 et seq. Plaintiff seeks damages, accounting, temporary and permanent injunctive relief.

2. Plaintiff brings this action pursuant to 28 U.S.C.A. §1338(a), which grants this court original and exclusive jurisdiction over civil actions arising under the copyright statutes.

3. Plaintiff, Rural Telephone Service Telephone Company, Inc., is a corporation duly organized and existing under the laws of the State of Kansas to transact the business of a public utility.

4. Defendant, Feist Publications, Inc., is a corporation duly organized and existing under the laws of the State of Kansas. The registered agent for service of process is Tom Feist, 106 Stafford, Box 216, Spearville, Kansas, 67876.

5. Plaintiff, as a part of its service offering, annually publishes and distributes directories to its customers in its telephone exchange areas. The directory which plaintiff alleges defendant copied was published by plaintiff in September 1982, for use by its customers for the remainder of 1982 and part of 1983.

6. Defendant's telephone directory contains material wholly original with plaintiff and is copyrightable subject matter under the laws of the United States.

7. Plaintiff complied in all respects with 17 U.S.C. §210 (1976) (1909 Act) and all other laws governing copyright and secured the exclusive rights and privileges in and to the copyright of said directory and received from the Register of Copyrights a certificate of registration dated and identified and is hereto attached as "Exhibit 1."

8. Said directory has been published and all copies of it made by plaintiff or under its authority or license have been printed, bound, and published in strict conformity with the provisions of 17 U.S.C. (1976 Ed.) §20 and all other laws governing copyright.

9. Plaintiff has been and still is the sole proprietor of all rights, title and interest in and to the copyright in said telephone directory.

10. Defendant infringed said copyright by publishing and placing upon the market a telephone directory entitled "Northwest Kansas AREA-WIDE Telephone Directory" which was copied largely from plaintiff's copyrighted telephone directory. (Affidavit attached)

11. A copy of plaintiff's copyrighted telephone directory is hereto attached as "Exhibit 2" and a copy of defendant's infringing telephone directory is hereto attached as "Exhibit 3."

12. After January 15, 1983, and continuously since, defendant has been publishing and marketing the "Northwest Kansas AREA-WIDE Telephone Directory" (Exhibit 3) and has thereby been engaging in copyright infringement to plaintiff's irreparable damage.

WHEREFORE, plaintiff demands that:

1. defendant be enjoined during the pendency of this action and permanently from infringing said copyright of said plaintiff in any manner and from publishing, marketing or otherwise disposing of any copies of the infringing telephone directory (Exhibit 3);

2. defendant be required to pay to plaintiff such damages as plaintiff has sustained in consequence of defendant's infringement of said copyright and to account for all gains, profits and advantages derived by defendant by his infringement of plaintiff's copyright or such damages as to the court shall appear proper within the provisions of the copyright statutes;

3. defendant be required to deliver up to be impounded during the pendency of this action all copies of said telephone directory entitled "Northwest Kansas AREA-WIDE Telephone Directory" in its possession or under its control;

4. defendant pay to plaintiff the costs of this action and reasonable attorney's fees to be allowed to the plaintiff by the court; and

5. plaintiff have such other and further relief as the court deems equitable.

/s/ James M. Caplinger, Jr.

JAMES M. CAPLINGER, CHARTERED
823 West Tenth Street
Topeka, Kansas 66612
(913) 232-0495

Attorney for Plaintiff
Rural Telephone Service
Company, Inc.

CERTIFICATE OF COPYRIGHT[®] REGISTRATION

This certificate issued under the seal of the Copyright Office in accordance with the provisions of section 410(a) of title 17, United States Code, attests that copyright registration has been made for the work identified below. The information in this certificate has been made a part of the Copyright Office records.

Olivia Reed

REGISTER OF COPYRIGHTS
 United States of America

FORM TX

UNITED STATES COPYRIGHT OFFICE

REGISTRATION NUMBER

1A 1-005-875

DATE OF REGISTRATION

DO NOT WRITE ABOVE THIS LINE. IF YOU NEED MORE SPACE, USE A SEPARATE CONTINUATION SHEET.

TITLE OF THIS WORK Agr, Alton, Atch, Bellier, Barer, Diamond, Jalatia, Taylor, Dove, Brainsfield, Jennings, Kensington, Lenora, Logan, Long Island, Morland, Natoma, Olmitz, Palco, Prairie View, Rexford, Seldon, Victoria, Woodruff, Woodstock, Lerion. Including Listings for Alma, Alton, Lenora, Seldon, Sams.
PREVIOUS OR ALTERNATIVE TITLES

PUBLICATION AS A CONTRIBUTION If the work was published as a contribution to a periodical, serial, or collection, give information about the collective work in which the contribution appeared. **Title of Collective Work**

If published in a periodical or serial give: **Volume** **Number** **Issue Date** **On Pages**
 182-1983 182-1983 #28044

2 a NAME OF AUTHOR Rural Telephone Service Company, Inc. **DATES OF BIRTH AND DEATH**
 Year Born Year Died

NOTE Was this contribution to the work a "work made for hire"? **AUTHOR'S NATIONALITY OR DOMICILE** Name of Country: USA **WAS THIS AUTHOR'S CONTRIBUTION TO THE WORK** Anonymous? Yes No Pseudonymous? Yes No

NATURE OF AUTHORSHIP Briefly describe nature of the material created by the author in which copyright is claimed: New editorial compilation and abridgement

b NAME OF AUTHOR **DATES OF BIRTH AND DEATH**
 Year Born Year Died

Was this contribution to the work a "work made for hire"? **AUTHOR'S NATIONALITY OR DOMICILE** Name of Country: **WAS THIS AUTHOR'S CONTRIBUTION TO THE WORK** Anonymous? Yes No Pseudonymous? Yes No

NATURE OF AUTHORSHIP Briefly describe nature of the material created by the author in which copyright is claimed:

c NAME OF AUTHOR **DATES OF BIRTH AND DEATH**
 Year Born Year Died

Was this contribution to the work a "work made for hire"? **AUTHOR'S NATIONALITY OR DOMICILE** Name of Country: **WAS THIS AUTHOR'S CONTRIBUTION TO THE WORK** Anonymous? Yes No Pseudonymous? Yes No

NATURE OF AUTHORSHIP Briefly describe nature of the material created by the author in which copyright is claimed:

3 YEAR IN WHICH CREATION OF THIS WORK WAS COMPLETED **DATE AND NATION OF FIRST PUBLICATION OF THIS PARTICULAR WORK**
 Complete this information ONLY if this work has been published: Year: September Day: 1 Year: 1982

4 COPYRIGHT CLAIMANT(S) Name and address must be given even if the claimant is the same as the author given in space 1:
 Rural Telephone Service Company, Inc.
 Seland Mast Directory Company
 11875 W 85th. St. Lenexa, Ks. 66214

TRANSFER If the claimant(s) named here in space 4 are different from the author(s) named in space 1, give a brief statement of how the claimant(s) obtained ownership of the copyright:

"EXHIBIT 1, PAGE 1"

APPROPRIATE OFFICE
 09 NOV 1982
 ONE DEPOSIT RECEIVED
 TWO DEPOSITS RECEIVED
 09 NOV 1982
 NEW PANCE NUMBER AND DATE

5. That in 1982 Rural again became suspicious of possible copyright infringement of Rural Telephone's directory on the part of defendant, Feist Publications, Inc. To verify this suspicion Rural caused the following four (4) fictitious listings to be listed in Rural's 1982 telephone directory:

Austerman, Ron R. Car Phone 567-4609
 Rooney, Martha Palco 737-2119
 Stow, Jack Rexford 687-2009
 Worthington, L.L. Zurich 662-3209

6. That on January 15, 1982, the four (4) fictitious names listed above were present in defendant's "Northwest Kansas AREA-WIDE Telephone Directory." Therefore, Rural was convinced of copyright infringement and is now seeking damages, accounting, temporary and permanent injunctive relief.

FURTHER AFFIANT SAYETH NOT.

/s/ H.J. Austerman

STATE OF KANSAS)
) ss:
 COUNTY OF SHAWNEE)

H.J. Austerman, of lawful age, being first duly sworn on oath states: that he is an employee of the plaintiff in the above-captioned matter; that he has read the foregoing Affidavit and that the statement made therein are true, and correct to the best of his knowledge and belief.

/s/ H.J. Austerman

Subscribed and sworn to before me this 23rd day of March, 1983.

/s/ Notary Public

My Appointment Expires:
September 23, 1984.

IN THE UNITED STATES DISTRICT COURT
 FOR THE DISTRICT OF KANSAS

RURAL TELEPHONE SERVICE)
 COMPANY, INC.)
)
) Plaintiff)
)
) v.)
) Civil Action)
) No. 83-4086)
 FEIST PUBLICATIONS, INC.,)
)
) Defendant)
)

ANSWER AND COUNTER-CLAIM

Defendant, Feist Publications Inc., for its answer and counter-claim states as follows:

1. Admits under paragraph 1 of the complaint that plaintiff purportedly brings this action for copyright infringement and seeks damages, accounting, temporary and permanent injunctive relief, but denies the remaining allegations of paragraph 1 of the complaint and specifically denies that defendant in any way violated the provisions of the Copyright Act of 1909.

2. Admits that paragraph 2 of the complaint purports to state the statutory basis for jurisdiction of plaintiff's complaint.

3. Defendant is without specific knowledge of the accuracy of the allegations of paragraph 3 of the complaint but assumes for purposes hereof that those allegations are correct and plaintiff is indeed a licensed public utility.

4. Defendant admits the allegations of paragraph 4 of the complaint.

5. Defendant admits the allegation of paragraph 5 of the complaint that plaintiff annually issues a telephone directory, but avers that as opposed to a service offering, it is done pursuant to a required directive of the State Corporation Commission of Kansas (see Exhibit A attached). With regard to the second sentence of paragraph 5 of the complaint, defendant specifically denies any copying and is further without sufficient information or knowledge to admit or deny exactly when plaintiff's directory was published or used and therefore denies the second sentence of paragraph 5 of the complaint.

6. Defendant denies the allegations of paragraph 6 of the complaint.

7. Defendant is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 7 of the complaint and therefor puts plaintiff to the proof thereof, as if the same were denied.

8. Defendant is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 8 of the complaint and therefore puts plaintiff to the proof thereof, as if the same were denied.

9. Defendant is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 9 of the complaint and therefore puts plaintiff to the proof thereof, as if the same were denied.

10. Defendant denies the allegations of paragraph 10 of the complaint.

11. Defendant admits that copies of plaintiff's and defendant's directories are attached to the complaint as averred in paragraph 11 of the complaint but specifically denies that defendant's directory is an "infringing telephone directory" and denies that plaintiff's directory is a validly "copyrighted telephone directory."

12. With regard to paragraph 12, defendant generally denies the allegations thereof and specifically denies that it is engaged in any copyright infringement to plaintiff's damage. Defendant avers that its 1983 "Northwest Kansas AREA-WIDE Telephone Directory" (Exhibit 3) bears a copyrighted publishing date of December 15, 1982. (See defendant's certificate of copyright registration, Exhibit B attached.) Defendant further avers that substantially all (97%) of its directories published were distributed free to the public by December 31, 1982.

FIRST AFFIRMATIVE DEFENSE

13. Plaintiff's complaint fails to state a claim upon which relief can be granted. The compilation of names and phone numbers in plaintiff's directory is mandated under state law, dedicated to the public, and therefore not copyrightable subject matter under the laws of the United states.

SECOND AFFIRMATIVE DEFENSE

14. Defendant is not liable for copyright infringement under the Fair Use Doctrine (17 USC §107).

THIRD AFFIRMATIVE DEFENSE

15. Plaintiff is barred in its attempt to prosecute its complaint by the Doctrine of Copyright Misuse and Unjust Enrichment.

DEFENDANT'S COUNTER-CLAIM

16. Defendant brings this counter-claim pursuant to 15 USC §§15 and 26 for anti-trust (15 USC §2) violations by plaintiff. Defendant contends that plaintiff's refusal to grant defendant a copyright license on reasonable terms or other access to telephone listing information is an unlawful extension of plaintiff's telephone service and potential copyright monopolies into the yellow page advertising market, all in violation of 15 USC §2. Defendant seeks triple damages, costs, reasonable attorneys fees, interest, and injunctive relief.

17. This court has jurisdiction pursuant to 28 USC §1337.

18. Defendant, Feist Publications, Inc., is a Kansas corporation having its principal place of business at Spearville, Kansas. Defendant has since 1978, annually published three (four since 1980) AREA-WIDE telephone directories in the rural areas of Western Kansas. Their purpose is to benefit the rural residents of the State of Kansas by combining into one telephone directory all of the various telephone listings from differing telephone exchanges within that particular trade area. A copy of defendant's Northwest Kansas AREA-WIDE Telephone Directory for 1983 is attached to plaintiff's complaint as Exhibit 3. A map depicting the trade areas served by defendant's directories is shown at page 2 of the red Community Interest Pages of that directory.

19. Plaintiff, Rural Telephone Service Company, Inc., purports to be a Kansas corporation authorized to provide telephone service as a public utility (Complaint, paragraph 3). Plaintiff provides telephone service to Northwest Kansas communities (see Exhibit 2) which includes, among others, communities served by defendant's directory.

20. White page listings (hereinafter "white pages") are listings of names, partial or full addresses, and phone numbers of telephone service customers. Both plaintiff's directory and defendant's directory contain such a "white pages" section.

21. Yellow page business advertising listings (hereinafter "yellow pages") consist of listing of various businesses in the telephone service area combined with advertising of these same businesses. Plaintiff and defendant both publish such "yellow pages" as part of their respective directories.

22. Defendant obtains all of its white page listing information with the exception of listings serviced by plaintiff through license agreements with the various telephone companies serving the area covered by defendant's Northwest

Kansas AREA-WIDE directory. (See Exhibit 3, page 2 of the white pages.) These listings are then updated just prior to publication of defendant's directory. For plaintiff's telephone exchanges defendant must utilize independent or in-house verifiers to obtain current listings by random dialing of possible numbers in the exchange, by postal mailings to phone subscribers requesting current numbers, and reference to the then current telephone directory covering that exchange.

23. Defendant first requested a license agreement covering plaintiff's telephone listings in 1978 on terms comparable to license agreements entered into with other telephone companies. Plaintiff refused. Defendant has since that time continued to inquire either personally or through acquaintances common to both plaintiff and defendant about obtaining such a license agreement. Plaintiff continues to refuse to allow any such license agreement.

24. The acts of plaintiff, including those acts complained of herein, have a substantial effect on interstate trade and commerce, in that among other things, plaintiff provides telephone service that is interstate in nature, plaintiff shares revenue from business advertising in its "yellow pages" with persons who have substantial operations in interstate commerce, and "yellow pages" are utilized by the public to purchase goods which are traded in interstate commerce.

25. The relevant product market herein is "yellow pages" advertising which is a separate market or submarket within the overall advertising market in the United States. The relevant geographic market is the plaintiff's telephone service area where plaintiff supplies telephone service. These relevant product market and relevant geographic market are hereinafter referred to as the "relevant market."

26. Defendant distributes its Northwest Kansas AREA-WIDE Telephone Directory, and similar directories in other parts of Kansas and Oklahoma to residences and businesses in the communities listed in the directories, including com-

munities in the relevant market, free of charge. A few are later sold by orders at a nominal charge, however, defendant derives almost all its income solely from the sales of "yellow pages" advertising.

27. At all times relevant herein, plaintiff has been granted an exclusive telephone service franchise by the State of Kansas in the Northwest Kansas area serviced by its exchanges. In effect, plaintiff has been granted a monopoly on telephone service in these areas and, as a result of that, it has acquired a monopoly in the yellow pages of business advertising market in the same area. Plaintiff's monopoly in yellow pages advertising subsists within its telephone service monopoly owing to the fact that yellow pages advertising cannot be effectively sold in a directory if such advertising is not coupled with white page telephone listings. Plaintiff is the only entity in a position to compile such white page listings by virtue of plaintiff's telephone service monopoly. In seeking copyright for its white page listings, plaintiff has effectively foreclosed the yellow pages advertising market to any competition, and is specifically attempting to foreclose defendant from such market.

28. Plaintiff dominates, controls, and monopolizes and has attempted to monopolize the sale of yellow pages advertising in a relevant market. Beginning at least from the date of defendant's original request for a license agreement from plaintiff in 1978, and continuing through the date of this counter-claim, plaintiff has had a market share approaching one hundred percent of the relevant market. Plaintiff has attempted to acquire, and has acquired, monopoly power in the relevant market by engaging in the following acts among others:

- (a) Refusal to allow defendant use of its white page listings;
- (b) Acquiring, maintaining, and misusing copyrights on its telephone service directories;
- (c) Disparaging defendant's products and services and thereby misleading businessmen in the relevant

market in an attempt to foreclosure defendant from such market;

- (d) Foreclosing defendant from procuring sales of "yellow pages" advertising in the relevant market;
- (e) Establishing, fixing, and maintaining artificially high rates or charges for such "yellow pages" advertising;
- (f) Eliminating and discouraging new competition in the relevant market;
- (g) Establishing a single non-competitive provider of "yellow pages" in the relevant market;
- (h) Inhibiting, boycotting, and preventing expansion or development of directories which could provide effective competition in the cost and quality of "yellow pages" advertising in the relevant market.

29. The foregoing acts by plaintiff have had and will continue to have, if not enjoined, the following anti-competitive effects, among others:

- (a) Trade and commerce in the providing of "yellow pages" advertising have been and will be unreasonably restrained;
- (b) Competition among companies providing "yellow pages" advertising in the relevant market have been and will be substantially hindered or eliminated;
- (c) Defendant has been substantially hindered in its ability to compete with plaintiff and may be eliminated entirely as a supplier of "yellow pages" advertising at a low cost to businesses in the relevant market;
- (d) Prices for advertising in the relevant market have been and will continue to be maintained at artificially high levels.

30. In furtherance of the foregoing acts, plaintiff has acted with the purpose or intent to exercise a monopoly power in the relevant market.

31. The foregoing acts and conduct of plaintiff are a

violation of 15 USC §2 and by reason of such acts and conduct, defendant has sustained irreparable harm of a continuing nature and injury to its business and property in the following respects, among others:

- (a) Defendant has been substantially hindered in its ability to compete with plaintiff in the relevant market and may be eliminated entirely as a supplier of "yellow pages" advertising in such market;
- (b) Defendant has lost profits due to being foreclosed and hindered in its attempts to sell "yellow pages" advertising in the relevant market;
- (c) Defendant has suffered a loss of good will with customers in the relevant market.

32. By reason of the foregoing, defendant continues to suffer irreparable harm and has sustained damage and injury to its business and property in an amount believed to be in excess of Ten Thousand Dollars (\$10,000).

PRAYER FOR RELIEF

WHEREFORE, defendant, Feist Publications, Inc., prays the Court for judgment against plaintiff as follows:

1. Dismissing plaintiff's pretended complaint with prejudice and on the merits;
2. Holding that the foregoing monopoly or attempt to monopolize as set out in defendant's counterclaim be adjudged to be a violation of federal anti-trust law (15 USC §2) and that pursuant to 15 USC §15 defendant recover triple the damages determined to have been sustained as a result of the conduct of the plaintiff complainant herein, simple interest on defendant's actual damages for the period beginning on the date of service of this pleading, and that pursuant to 15 USC §26 defendant be further entitled to injunctive relief;
3. For an order compelling plaintiff to supply defendant at a reasonable cost with all listings of plaintiff's telephone service customers updated to include additions and deletions so that the public can be supplied with current listing information;

4. For an order that defendant recover from plaintiff the costs of this suit, including reasonable attorney's fees in accordance with the appropriate anti-trust laws;

5. That defendant have such other and further relief as the court may deem just and proper.

DATED: May 31, 1983.

/s/ Kyler Knobbe

Kyler Knobbe
Box 808
Cimarron, Kansas 67835
(316) 855-3492
Lawyer for Defendant

OF COUNSEL:

Ridenour And Knobbe
Box 808
Cimarron, Kansas 67835
(316) 855-3492

[Certificate of Service omitted in printing]

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF KANSAS

RURAL TELEPHONE SERVICE)	
COMPANY, INC.,)	
Plaintiff)	
)	
vs	)	Civil Action
	)	File No. 83-4086
FEIST PUBLICATIONS, INC.,)	
)	
Defendant)	

**PLAINTIFF'S ANSWER TO
DEFENDANT'S COUNTERCLAIM**

COMES NOW, Plaintiff, Rural Telephone Service Company, Inc. and for its answer to defendant's counterclaim denies each and every allegation therein contained except as may be specifically admitted and further alleges and states:

1. Admits under paragraph 16 of the counterclaim that defendant purportedly brings this counterclaim pursuant to 15 U.S.C. §15 and 26 for violations of antitrust (15 U.S.C. §2) by plaintiff, and seeks treble damages, costs, reasonable attorney's fees, interest and injunctive relief, but denies the remaining allegations of paragraph 16 of the counterclaim and specifically denies that plaintiff in any way violated §2 of the Sherman Anti-Trust Act (15 U.S.C. §2).

2. Admits that paragraph 17 of the complaint purports to state the statutory basis for jurisdiction of defendant's counterclaim.

3. Plaintiff admits to those allegations found in paragraph 18, except for the third sentence of paragraph 18 of the counterclaim, which Plaintiff specifically denies.

4. Plaintiff admits the allegations of paragraphs 19, 20, and 21 of the counterclaim.

5. Plaintiff is without sufficient information or knowledge to admit or deny the accuracy of the allegations of paragraph 22 of the counterclaim and therefore denies paragraph 22 of the counterclaim.

6. Plaintiff admits to allegations of paragraph 23 of the counterclaim.

7. Plaintiff denies the allegations of paragraphs 24 and 25 of the counterclaim.

8. Plaintiff is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 26 of the counterclaim and therefore puts defendant to the proof thereof, as if the same were denied.

9. Plaintiff admits that at all times relevant herein plaintiff has been granted an exclusive telephone service franchise by the State of Kansas in the Northwest Kansas area serviced by its exchanges as averred in the first sentence of paragraph 27 of the counterclaim, but specifically denies the remaining allegations in paragraph 27 of the counterclaim.

10. Plaintiff denies the allegations of paragraphs 28, 29, 30, 31, and 32 of the counterclaim.

AFFIRMATIVE DEFENSE

11. Defendant's counterclaim fails to state a claim upon which relief can be granted. Absent any purpose or design to create or maintain a monopoly, the Sherman Anti-Trust Act (15 U.S.C. §1 et seq) does not restrict the rights of a telephone company engaged in an entirely private business, from freely exercising its own independent discretion as to the parties with whom it will deal.

WHEREFORE, having fully answered the counterclaim of defendant, plaintiff prays they take nothing thereby; that it be given judgment for its costs and expenses, including reasonable attorney's fees; and for such other and further relief as the Court deems just.

/s/ James M. Caplinger, Jr.

JAMES M. CAPLINGER, CHARTERED
823 West Tenth
Topeka, Kansas 66612
(913) 232-0495

Attorney for Plaintiff

[Certificate of Service omitted in printing]

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF KANSAS

RURAL TELEPHONE SERVICE)	
COMPANY, INC.,)	
)	
Plaintiff)	
)	
vs	)	Civil Action
	)	No. 83-4086
FEIST PUBLICATIONS, INC.,)	
)	
Defendant.)	

**MOTION FOR SUMMARY JUDGMENT
OF COPYRIGHT INFRINGEMENT**

COMES NOW the Plaintiff, Rural Telephone Service Company, Inc., by and through its attorneys and hereby moves the court pursuant to Rule 56 F.R.C.P., for partial summary judgment in favor of Plaintiff and against the Defendant, Feist Publications, Inc., based on liability for copyright infringement as follows:

1. Plaintiff has a valid and subsisting copyright registration for its telephone directory published in 1982-1983.
2. Defendant has published a 1983 Northwest Kansas AREA-WIDE Telephone Directory in which Defendant has copied portions of Plaintiff's copyrighted directory.
3. There is no genuine issue of any material fact concerning infringement and Plaintiff is entitled to a judgment of infringement liability as a matter of law.

A memorandum in support of this motion is attached and filed concurrently herewith.

[Jurat and Certificate of Service omitted in printing]

**MEMORANDUM IN SUPPORT OF
PLAINTIFF'S MOTION
FOR SUMMARY JUDGMENT OF
COPYRIGHT INFRINGEMENT**

INTRODUCTION

Plaintiff, Rural Telephone Service Company, Inc., (hereinafter "Rural") has charged Defendant, Feist Publications, Inc., (hereinafter "Feist") with infringement of its copyrighted 1982-1983 telephone directory which it has published, as a result of Feist publishing its Northwest Kansas AREA-WIDE Telephone Directory for the year 1983. Defendant answers to interrogatories, and the testimony of its officers during their depositions established that Feist copied a quantity of material from Rural's copyrighted directory. This copying, coupled with a showing that Rural is the owner of the copyright, makes out a case of copyright infringement.

UNCONTROVERTED FACTS

1. Plaintiff, Rural Telephone Service Company, Inc. (Rural), is a Kansas corporation, duly organized and existing under the laws of the State of Kansas to transact the business of a public utility. Rural has its offices and its principal place of business in Lenora, Kansas 67654.

2. In the normal course of its business, Plaintiff, Rural, among many other things, compiles, prepares, publishes, and distributes telephone directories covering the geographical areas in which it provides telephone service.

3. The telephone directories published by Plaintiff, Rural, have been copyrighted and the copyrights have been registered each year as published. The 1982-1983 published directory, which is the subject of this lawsuit, is marked with an appropriate copyright notice, identifying Rural Telephone Service Company, Inc. as the copyright proprietor and indi-

cating the year of publication. (Attached to Plaintiff's Complaint as Exhibit #1, 2)

4. Plaintiff, Rural's, telephone directories are printed partly on white pages and partly on yellow pages. The portion printed on white pages lists in alphabetical order the names, addresses and telephone numbers of Rural's telephone subscribers. The portion printed on yellow pages lists Rural's business subscribers alphabetically under appropriate business classifications and contains classified advertisements of various sizes purchased by Rural's business subscribers.

5. Defendant, Feist Publications, Inc. (Feist) is a Kansas corporation with its principal place of business at P.O. Box 98, Spearville, Kansas 67876. Feist is a family corporation of which Tom Feist and his wife, Roberta Feist, each have a fifty percent ownership interest. Tom Feist is President of Feist Publications, Inc., and is its chief executive officer. Feist was formed and incorporated in 1977.

6. In 1978 Feist published its first Northwest Kansas AREA-WIDE Telephone Directory. Feist started this process by attempting to enter into license agreements with various telephone companies in Northwest Kansas serving the area covered by the Northwest Kansas AREA-WIDE Telephone Directory. Through these license agreements with the telephone companies, the telephone companies agreed to annually sell Feist a list of their white page listings to be used by Feist in their Northwest Kansas AREA-WIDE Telephone Directory. A number of telephone companies in the area covered by the various area-wide directories have not entered into license agreements with Feist. (Dep. Tom Feist, p. 39, 40 attached to this motion.)

7. On April 24, 1978, Tom Feist attended a Rural Telephone Company's special trustee meeting to discuss the possible purchase of Rural's white page listings. After discussion, the Board of Directors voted not to sell the listings to Feist. (Attached to this Motion as Exhibit "A".)

8. Feist, in 1978, unable to purchase the Rural white page listings, took the Rural Telephone Directory and edited it by taking out all of the listings they could not use and using the remainder of the Rural Telephone Directory. Once this was done Feist sorted these listings out by town and alphabetized them. (Dep. Tom Feist, p. 10, 14 attached to this motion.)

9. Feist then sent the various lists, broken down by towns, to verifiers it had hired in each of the towns that the directory would cover, with instructions to telephone each of the listings taken from the Rural copyrighted directory, and to attempt to verify each name, address and telephone number. After each verifier had carried out his or her instructions they sent the list back to Feist with pencilled in notes, reflecting deletions, additions and any other changes. Concurrently with the work of the verifiers, salesmen working for Feist solicited ads for the yellow page section of the Feist directory. The ads thus purchased appeared in printed form in the yellow page section of Feist's 1978 Northwest Kansas AREA-WIDE Telephone Directory which were delivered to people living in various Northwest Kansas counties.

10. In the following years, 1979 through 1982, Feist published annual Northwest AREA-WIDE Telephone Directories. Tom Feist, at the time of his deposition in this lawsuit, testified that Feist had no reason to use Rural's telephone directory after the first year. Feist instead would start each year with an updated version of the Northwest Kansas AREA-WIDE Telephone Directory from the previous year and make its additions and deletions through the use of verifiers. (Dep. Tom Feist, p. 14 attached to this motion.)

11. In 1983 Feist decided to change its date of publication, changing the date of the publication of the Northwest Kansas AREA-WIDE Telephone Directory. (Dep. Tom Feist, p. 15, 16 attached to this motion.)

12. Because of this time change Feist was in "a big hurry because of the time element involved." (Dep. Tom Feist, p. 34, 35 attached to this motion.) Tom Feist testified that it made it possible to use the Rural telephone directory once again. (Dep. Tom Feist, p. 15 attached to this motion.) An edited version of a portion of Rural's interlocking directory was computered keyed to obtain an alphabetical print-out of each town Feist included in its directory. (Defendant's Answer to Plaintiff's Interrogatories to Defendant, Answer 6)

13. Feist, in 1985, just as it had done in 1978, began with a Rural telephone directory, edited out all of the listings it could not use and compiled a list that it could use and sent the lists to verifiers to be verified. When asked why Feist went back to using the Rural directory, Tom Feist testified in his deposition that the decision was made, because "we had a chance to use it where we didn't in the past." (Dep. Tom Feist, p. 22 attached to this motion)

14. Rural Telephone Service Company, suspicious of Feist infringing its copyright, inserted in its 1982-1983 telephone directory a number of fictitious listings. When Feist's 1983 Northwest Kansas AREA-WIDE Telephone Directory was published and disseminated, the 4 fictitious listings that were inserted in Rural's 1982-1983 telephone directory appeared in the Feist directory. (Affidavit of H.J. Austerman attached to this motion.)

[Legal Argument and Authorities and
Jurat and Certificate of Service omitted in printing]
[Deposition of Tom Feist as attached by Plaintiff follows]

1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE DISTRICT OF KANSAS
3 RURAL TELEPHONE SERVICE)
4 COMPANY, INC.,)
5 Plaintiff,)
6 -vs-) Civil Action
7 FEIST PUBLICATIONS, INC.,) No. 83-4086
8 Defendant.)
9
10 **DEPOSITION**
11 THE DEPOSITION OF TOM FEIST, a witness herein,
12 taken on behalf of the plaintiff, pursuant to agree-
13 ment before
14 Susan K. Byrum Zimmerman, a Certified Shorthand
15 Reporter of
16 Kansas, at Cimarron, Kansas, on the 16th day of
17 September,
18 1983, at 9:00 o'clock a.m.
19 **APPEARANCES**
20 Plaintiff appeared by its attorney, MR. JAMES M.
21 CAPLINGER, JR., of James M. Caplinger, Char-
22 tered, Attorneys at
23 Law, 823 West Tenth Street, Topeka, Kansas 66612.
24 Defendant appeared by its attorney, MR. KYLER
25 KNOBBE,
of Ridenour & Knobbe, Attorneys at Law, P.O. Box
808,
Cimarron, Kansas 67835.

- 1 A. How do we hire them or what do we cover?
 2 Q. Not so much on how you hire them, but do you give
 3 them
 4 blank survey cards or what list do you give them? Do
 5 you
 6 give them a Rural Telephone Directory and let them
 7 have at
 8 it or what do you do?
 9 A. We have done it--of course, we have computerized
 10 since
 11 that time. I have got to go back in my memory. What
 12 we
 13 did then and basically what we still do is, yes, we take
 14 the Rural directory, edit it, take out all the listings we
 15 can't use--the foreign listings. For example, Galatia,
 16 Kensington. Those that we do not include in our
 17 directory
 18 are deleted. We take out government schools, any-
 19 thing
 20 else--foreign advertisers, clean it up. It's an
 21 interlocking directory. So we have to sort the listings
 22 out by town and alphabetize them, because our is an
 23 interlocking directory. And once this list is compiled,
 24 we send it to the verifiers with instructions on what to
 25 do.
 26 Q. Do you remember approximately how many verifiers
 27 you had
 28 for that area?
 29 A. One for every town.
 30 Q. One for every town?
 31 A. There area a few towns that have--we call it,
 32 "EAS."
 33 Q. Extended Area Service?
 34 A. In those instances, such as Prairie View, Logan and
 35 such--

- 1 past. We also began to--and it's a little bit of a
 2 complicated process, but we began to check out list-
 3 ings
 4 from the post office through independent research.
 5 Q. You used other resources?
 6 A. Yes. We used other resources.
 7 Q. Okay. But still, in those years you started out with an
 8 unedited version of Rural Telephone Directory?
 9 A. Right.
 10 Q. And do you still each year, say like for this particular
 11 --
 12 do you call that '82-'83 directory? I know Rural's
 13 telephone directory kind of overlaps.
 14 A. Can I go back here a second--(interrupted)
 15 Q. Yes.
 16 A. (Continuing)--and take some of it back? What we did
 17 each year after '78, with the exception of last year, was
 18 to use our updated version from the previous year.
 19 Q. And with Rural's telephone directory?
 20 A. No. We had no reason to use Rural's telephone direc-
 21 tory
 22 after the first year.
 23 Q. Okay. Say like in an answer to plaintiff's interrogato-
 24 ries
 25 to you, you answered that you start with an edited
 26 version
 27 of Rural's telephone directory?
 28 A. We did.
 29 Q. And it's broken down into two areas. One is an
 30 alphabetical
 31 listing and two, a numerical listing. Now, are you
 32 saying

1 that that just applies for the 1982 or the directory that
2 is in issue in this lawsuit?

3 A. That applies in 1978 and 1982.

4 MR. KNOBBE: In the interrogatory answer,
5 we objected to everything other than the two
6 directories at issue.

7 MR. CAPLINGER: So that just applies to
8 the last — (interrupted)

9 MR. KNOBBE: That only applies to the
10 directory in issue.

11 BY MR. CAPLINGER: (continuing)

12 Q. Okay. Why did you go back to using Rural's directory
13 if you didn't use it in '79, '80 and '81 and '82, why did
14 you go back and use it in '83?

15 A. All right, we changed our lead of publication in
16 northwest Kansas. It was always a November publi-
17 cation.

18 It would come out simultaneously. In the first year we
19 used the year old directory. Last year we decided to
20 make

21 that a December publication. It had nothing to do with
22 Rural's date, though. The decision was really the
23 sales manager's decision. It worked out better for her

24 or with her sales group. I'm not real certain why. You
25 can ask her later. So, yeah, it made it possible to use
the Rural directory once again. Otherwise, it made no

sense. In previous years, it made no sense to use
Rural's

1 directory when we had our own version, which was as
2 updated as Rural's

3 Q. There was not benefit in using Rural's?

4 A. There was no benefit. We thought ours was as clean,
5 maybe cleaner than Rural's. The verifiers were always
6 instructed not to use the Rural directory in any
instance.

7 Q. So basically it really wasn't essential to start with or
8 to use that Rural directory at all in compiling the
9 information to publish your annual directory, is that
10 correct?

11 A. Would you repeat that?

12 Q. So are you saying that it really was not and is not
13 essential to use Rural's directory in compiling the
14 information to publish your directory?

15 A. It was used originally.

16 Q. Originally?

17 A. And of course everything from that emanates from
18 the

original use.

19 Q. So would it really be essential to you to use it next
20 year or any year in the future?

21 A. Not directly. We wouldn't have to use Rural's direc-
tory

22 directly. It's nice to be able to compare it with Rural's
23 directory to see--you know, after we have compiled
our

24 own list, to see how accurate ours is or how inaccurate
25 theirs is, whatever.

- 1 of years--why did you go back and use it this last time?
- 2 A. I thought I explained that.
- 3 Q. Apparently I missed that.
- 4 A. To make it short, in the past our directory--our source
- 5 was as up-to-date as Rural's directory. Both of them
- 6 were
- 7 a year old or whatever closing dates on them. Last
- 8 year
- 9 we had the advantage, because we moved our direc-
- 10 tory back--
- 11 we had the advantage of using the Rural directory,
- 12 which
- 13 there was no advantage to using prior to that.
- 14 Q. Apparently I must be slow today or something. I am
- 15 really
- 16 not getting the answer--I really don't understand
- 17 what
- 18 you are saying. Why did you use it in 1983--what were
- 19 the benefits in starting with the Rural directory
- 20 versus
- 21 the year before?
- 22 A. Well, I would assume that the directory--I did assume
- 23 at that time that the directory was more up-to-date
- 24 than
- 25 the previous year's directory or our previous year's
- 26 directory.
- 27 Q. Okay. So if I'm understanding your answer now, you
- 28 used
- 29 it this last year, compared the two and let's say that
- 30 you
- 31 will not use it again for three or four years, but plan
- 32 on using it maybe the fourth or fifth year down the
- 33 line?
- 34 A. No. That was not why the decision was made last year.
- 35 The decision was made, because we had a chance to
- 36 use it
- 37 where we didn't in the past.

- 1 A. It's clean.
- 2 Q. (Continuing)-- to your Arizona vendor? It's clean.
- 3 Nothing marked out, nothing deleted?
- 4 A. I won't say there is nothing. We clean it up on a
- 5 computer and print it out again. If we make the
- 6 corrections on a computer--but there could be some-
- 7 thing
- 8 at the last minute that is deleted or changed. Rather
- 9 than run another print-out out of the computer, we
- 10 just
- 11 mark it on there. So, yes, there could be a few.
- 12 Q. Okay. So like in this situation, your Arizona vendor
- 13 would not be guilty of anything, including these--
- 14 by including these fictitious listings?
- 15 A. As far as I know, they are not.
- 16 Q. Okay.
- 17 A. Unless they were included by somebody.
- 18 Q. Okay. You said earlier that you had some problems
- 19 this
- 20 last year in compiling the information for your di-
- 21 rectory.
- 22 Apparently you had more problems this year than
- 23 prior
- 24 years, is that correct?
- 25 A. Correct.
- 26 Q. Can you elaborate on that--what caused these prob-
- 27 lems?
- 28 A. One of them, we were in a big hurry because of the
- 29 time
- 30 element involved. We only had--since we did use the
- 31 directory, we had--didn't have the usual amount of
- 32 time,
- 33 and our Arizona vendor needed the listings and we did
- 34 not

- 1 have adequate time to devote to looking at --I didn't
 2 spend the time that I usually do on them.
 3 Q. You think that's why you went back this last year and
 4 used
 5 Rural's telephone directory?
 6 A. I thought that's what we are talking about is last year.
 7 Q. Well, I'm talking about because of this particular set
 8 of problems this year. Is that why you went back this
 9 year and-- (interrupted)
 10 A. Are you talking about '83 now?
 11 Q. Right.
 12 A. Oh, I didn't realize that.
 13 MR. KNOBBE: Objection. He has already
 14 answered the question. That's the deal about which
 15 one is more current. Go ahead.
 16 Q. Well, as I understood your answer a while ago, why
 17 you
 18 used Rural's directory is because, you know, it's cur-
 19 rent.
 20 But I'm talking about--the question goes to the inter-
 21 nal
 22 problems of the business this last year. You was in a
 23 rush, et cetera. You think that's another reason why
 24 you
 25 used Rural's directory?
 26 A. No.
 27 Q. Okay. Let's get out of that area. I'm confused. But how
 28 about is your directory--your Northwest AREA-WIDE
 29 Directory copyrighted?
 30 A. Yes.

- 1 and in fact he is advertising in Rural's directory,
 2 which he doesn't necessarily want or need.
 3 Q. Can you give me dates or names?
 4 A. No, I can't. As I said before--but this is a common
 5 practice.
 6 Q. What other people have told you about this?
 7 A. This is a common practice.
 8 Q. If I were to ask you any particular names, dates, who,
 9 where--(interrupted)
 10 A. I could not furnish you with them.
 11 Q. Okay. Do you have license agreements with every
 12 other
 13 telephone company in the area of the Northwest
 14 AREA-WIDE
 15 Directory?
 16 A. Yes.
 17 Q. How about your other directories?
 18 A. Not all of them. no.
 19 Q. Well, on the basis of your counter-claim, do you feel
 20 that
 21 they should be required to contract with you?
 22 A. I'm not saying "required" no. No, not necessarily
 23 required, but they--it looks to me like they are trying
 24 to monopolize their particular areas. This is by-- most
 25 of them are family owned small towns.
 26 Q. So when you use the word "monopolize" --by them not
 27 entering into a license agreement with you, they're in
 28 --
 29 that is their attempts with monopolization?

- 1 A. In their very small areas, most of them--Rural covers
a
2 large part of our area in northwest Kansas.
- 3 Q. Well, earlier you said that it really wasn't essential
4 to use Rural's telephone directory; therefore, it really
5 wouldn't be essential to have a license agreement
6 with
7 them, would it?
- 8 A. It's not essential. Obviously we have existed this long.
- 8 Q. Do you have a license agreement with Elkhart Tele-
9 phone?
- 9 A. No.
- 10 Q. Okay. You are still trying to get them to enter into a
11 license agreement?
- 12 A. About a year ago, year and a half ago is the last time
13 we
14 wrote them a letter.
- 14 Q. Would you make available for inspection an income
15 statement
16 or balance sheet showing your yellow page revenue
17 for the
18 Northwest AREA-WIDE Directory-- (interrupted)
- 17 A. Okay.
- 18 Q. (Continuing)--for 1978?
- 19 MR. KNOBBE: Object to--(interrupted)
- 20 A. Okay.
- 21 MR. KNOBBE: When--prior to?
- 22 MR. CAPLINGER: Well, I believe in your
23 counter-claim you are asserting that through boycotts,
24 disparagements, et cetera that Rural has almost
25 captured the high percentage of yellow page adver-
tisement

- 1 else--you have no personal knowledge of disparage-
ments
2 except for what you have been told by some of your
3 employees? Let me rephrase that. Have you ever had
a
4 consumer complain directly to you?
- 5 A. I'm thinking. I don't recall. I'm not certain I haven't,
6 though, because I answered many complaints over
the
7 phone and so forth. At the booth, at the fair, you hear
8 quite a few. But I don't recall anything specific.
- 9 Q. Okay, this is leaving that area. Do you know what
slipping
10 is?
- 11 A. No.
- 12 Q. I just heard the term the other day. It's where instead
13 of using independent verifiers--instead of those
14 verifiers calling each number, you go ahead and send
15 something in the mail.
- 16 A. I'm aware of that.
- 17 Q. Is that what slipping is?
- 18 A. Generally. I have never heard the term "slipping," no.
19 But talking to some of the publishers this last week-
end
20 in San Antonio, a couple of them who are doing that,
21 expect fewer than 50 percent answers on that on the
22 cards they send out.
- 23 Q. Okay. Just a few more questions. What we went over
24 earlier, you do admit that there were fictitious listings
25 inserted in your 1983 directory?

1 A. Yes.

2 Q. And you admit that these fictitious listings were
3 included through defendant's mistake or error?

4 A. Right.

5 MR. CAPLINGER: No more questions.

6 MR. KNOBBE: Can we state the deposition
7 is concluded then? I have no questions.

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF KANSAS

RURAL TELEPHONE SERVICE)
COMPANY, INC.,)

Plaintiff,)

v.) Civil Action
No. 83-4086)

FEIST PUBLICATIONS, INC.,)

Defendant.)

**DEFENDANT'S OPPOSITION TO
PLAINTIFF'S MOTION FOR SUMMARY
JUDGMENT AND DEFENDANT'S CROSS MOTION
FOR SUMMARY JUDGMENT**

Defendant, Feist Publications, Inc., herewith opposes plaintiff's Motion for Summary Judgment and moves the court to grant summary judgment in defendant's favor on the copyright issue.

In support of such opposition, defendant relies on the following grounds:

1. The pleadings, interrogatories, depositions, exhibits and affidavits on file herein show that defendant has not violated plaintiff's alleged copyright, but rather has expended considerable original and independent research, effort and verification in compiling its own directory, the arrangement and scope of which differs from plaintiff's. Professor Nimmer sets forth the law in this regard [*Nimmer on Copyright*, §3.04 (1983)] and his reasoning should be followed by this court.

2. Plaintiff's directory is not a printed work of originality or creativity by an author. It is a mere compilation of factual

material of which plaintiff itself is the only source. As such, defendant must have access to this public information under the Fair Use Doctrine. Fair use herein is a complete defense to plaintiff's action and entitles defendant to summary judgment.

3. Plaintiff comes to this court with unclean hands. Plaintiff, by use of this court and its copyright claim is attempting to illegally extend its monopoly status from providing phone service to the publication of directories in violation of federal antitrust provisions. This is a misuse of its copyright, barring enforcement.

4. Defendant should additionally be allowed to recover from plaintiff that portion of its attorney's fees herein which relate to the copyright issue. 17 U.S.C. §505.

Defendant's memorandum in support of this Opposition and Cross Motion is enclosed as part of this Opposition and Cross Motion.

Defendant respectfully requests this court to deny plaintiff's motion, grant defendant judgment on the copyright issue, and determine the attorney's fee question.

Defendant also respectfully requests oral argument before this court.

[Jurat and Certificates of Service omitted in printing]

**DEFENDANT'S MEMORANDUM IN SUPPORT OF
OPPOSITION TO PLAINTIFF'S MOTION FOR
SUMMARY JUDGMENT AND IN SUPPORT OF
DEFENDANT'S CROSS MOTION FOR
SUMMARY JUDGMENT**

I. UNCONTROVERTED FACTS.

Defendant Feist does not controvert the factual statement set forth by plaintiff. A few clarifications are necessary

to prevent the statement from being misleading, but they do not raise a genuine issue of fact herein. For example,

1. Paragraph 6 of plaintiff's statement of uncontroverted facts implies that many ("a number of") telephone companies do not license listings to Feist. The deposition reference cited [Dep. Tom Feist, p. 39, 40] indicates that for Feist's Northwest Kansas AREA-WIDE Directory at issue herein, plaintiff is the only phone company that does not license with Feist. In the three other areas Feist serves, twenty-three phone companies license with Feist and five do not.

2. Paragraph 10 of plaintiff's Statement of Facts implies that plaintiff's directory was not used by Feist as a source of listing information for 1979-1982. Plaintiff's directory was used as a source of listing information in those years. It simply was not as good a source as in 1978 or 1982 since it was not as current as Feist would have preferred. [Dep. Tom Feist, pp. 16, 19, 21-23].

3. Paragraph 12 of plaintiff's Statement of Facts is correct as stated therein. However, plaintiff's later argument that because of the time element Feist lacked the time to independently obtain listings (Plaintiff's Memo, p. 9) is not a correct statement of fact.

4. Paragraph 14 of plaintiff's Statement of Facts is misleading in that it implies that plaintiff first inserted only four fictitious listings in its 1982-1983 directory and "the four fictitious listings" then appeared in Feist's directory. In fact, plaintiff inserted twenty-eight fictitious listings in its directory. (Attachment 4, plaintiff's Answers to Interrogatories.) In prior years, plaintiff's directories contained only ten to twelve fictitious listings. [Exhibit (FF).] The twenty-eight fictitious listings were first inserted in plaintiff's 1980-1981 directory published in the fall of 1980. [Affidavit of Tom Feist, #11; Exhibit (HH).] Prior to this, plaintiff had forced one competitor out of business [Exhibit (EE)] and had threatened Feist with litigation also [Exhibit (GG)].

In addition to plaintiff's statement of uncontroverted facts, the following facts are also uncontroverted:

5. To compile the portion of Feist's directory containing listings from plaintiff's exchange areas, an edited version of a portion of plaintiff's interlocking (alphabetical) directory [Exhibit (C)] is computer keyed to obtain an alphabetical print out [Exhibit (D)] of each town Feist will include in its directory. Pre-verification updating is written on this print out to add mailing addresses obtained by Feist from post office mail verifications of subscribers [Exhibit (E)] these cards are individually addressed and mailed to subscribers and the Post Office, pursuant to regulation, completes the address or verifies non-existence] written requests by subscribers for particular listings or corrections [Exhibit (F)], and other known changes, additions, or deletions. [Affidavit, Tom Feist, paragraph 6].

6. These corrections and updating changes are computer keyed to combine these sources and computer sort the material into two initially edited print outs. One which interlocks alphabetically all listings regardless of town [Exhibit (G)] is sent to a computer service vendor in Arizona for merger into the rest of the Feist directory, which covers a much wider area than only plaintiff's listings [Affidavit, Tom Feist, paragraph 7].

7. A second print out [Exhibit (H)] compiled by town in numerical sequence according to phone numbers is sent to independent verifiers in their respective towns to research for changes, additions, and deletions. The phone order sequence of this second print out facilitates finding new listings [Dep. Tom Feist, p. 19]. These independent verifiers phone every telephone number on the print out for their town to verify name, address, and number as well as all missing numbers in the numerical sequence to search for new listings. [Dep. Marilyn Johnson, p. 7; Affidavit, Tom Feist, paragraph 8.]

8. Pre-verification changes and updating are keyed into Feist's computer and as the independent verifier's research is returned to Feist, these changes, additions, and deletions are added. Questionable or incomplete listings are verified in-house by phone from Feist's office when necessary [Exhibit (I); Affidavit, Tom Feist, paragraph 9].

9. When the directory proof is received from Feist's Arizona computer service vendor, it is proofread for errors, all data compiled from verifiers' research is added and the corrected proof is returned to the Arizona computer service vendor. A final repro (paste up pages) [Exhibit (M)] of the directory is finally proofed and updated and sent to a printer for printing of the directory. [Affidavit, Tom Feist, paragraph 10.]

10. Plaintiff placed twenty-eight fictitious listings [Plaintiff's Answers to Interrogatories #12, Attachment 4], in its 1980-1981 directory [Exhibit (HH)], its 1981-1982 directory [Exhibit (II)], and its 1982-1983 directory [Exhibit 2]. None of them appeared in the earlier Feist 1980, 1981, or 1982 Northwest Kansas AREA-WIDE Telephone Directories. Four of the twenty-eight fictitious listings appeared in Feist's 1983 Northwest Kansas AREA-WIDE Telephone Directory [Exhibit 3; Affidavit, Tom Feist, paragraph 11].

11. The four fictitious listings which appeared in Feist's 1983 Northwest Kansas AREA-WIDE Telephone Directory were originally all removed either by initial editing or by independent verifiers from each town. Feist has been unable to ascertain precisely how they reappeared in its final directory. Any error was unintentional on Feist's part. Either Feist missed keying the independent verifier correction or the listing was called in to Feist and then reincluded after being initially removed [Dep. Tom Feist, pp. 29, 49; Affidavit, Tom Feist, paragraph 12].

12. Since one of Feist's sources of information is plaintiff's white page listings, it is possible for Feist to include fictitious

listings placed by plaintiff in its directory. However, since Feist also utilizes other sources and numerous verification procedures the misleading listings should not have appeared. [Affidavit, Tom Feist, paragraph 13].

13. Feist obtains white page listings for all exchanges in its 1983 Northwest Kansas AREA-WIDE Telephone Directory other than those from plaintiff's exchanges, by licensing listing information in updated form from the telephone company serving that exchange. [Dep. Tom Feist, p.39; Exhibits (SS), (TT), (UU), and (VV).] Plaintiff refuses to license with Feist. [Plaintiff's Answer to Counterclaim, paragraph 6.]

14. After the complaint was filed herein, Feist compiled a comparison of its 1983 Northwest Kansas AREA-WIDE Telephone Directory [Exhibit 3] and plaintiff's 1982-1983 directory [Exhibit 2]. Feist compared listings from those exchanges of plaintiff's which Feist's directory covers as they appear, if at all, in plaintiff's directory and, if at all, in Feist's directory. [Exhibit (P); Affidavit Tom Feist, paragraph 15.]

15. Feist's 1983 Northwest Kansas AREA-WIDE Telephone Directory contains 46,878 white page listings [Exhibit 3]. Plaintiff's 1982-1983 telephone directory [Exhibit 2] contains approximately 7,700 listings, 4,935 of which are from exchanges which are included in Feist's directory [Exhibit (P); Affidavit Tom Feist, paragraph 16].

16. Of the 4,935 listings which could be duplicated by copying, 3,626 differ. There are 164 new listings contained in Feist's directory which are not in plaintiff's. Other differences include deleted outdated listings, spelling or other obvious error differences, mailing address changes or additions, style, format, and other differences [Exhibit (P); Affidavit Tom Feist, paragraph 17].

17. Without access to the plaintiff's directory as a source of white page listing information, Feist could not economically

compile an independent AREA-WIDE directory. [Dep. Tom Feist, pp. 42-43; Affidavit Tom Feist, paragraph 18.]

18. Feist first requested a license agreement from plaintiff in April 1978. [Plaintiff's Answers to Interrogatories, Attachment 1.] He explained that he wanted to establish an AREA-WIDE phone directory for Northwest Kansas similar to the one he was publishing in Southwest Kansas, and he furnished plaintiff's directors with copies of his 1978 Southwest Kansas AREA-WIDE Directory [Exhibit (BB)]. At this time, plaintiff published a 6 inch x 9 inch telephone directory containing only phone listings from its own exchanges [Exhibit (AA)].

19. Plaintiff refused to license listings to Feist. Plaintiff has provided its listings to civic organizations and provides them to General Telephone of Nebraska [Dep. H.J. Austerman, pp. 66-67].

20. Plaintiff's next published directory was a 9 inch x 11 inch one containing a second set of white page listings for exchanges other than plaintiff's [Exhibit (DD)].

21. Plaintiff threatened to sue Feist for copyright infringement in March 1980, complaining, among other other things that Feist had violated plaintiff's copyright by including in the Feist Directory an unlisted number from plaintiff's exchange. Feist, through counsel, replied requesting additional facts and reiterating its license request. [Exhibit (GG).] Nothing happened.

22. Plaintiff inserted an expanded number of fictitious listings in its 1980-1981 Directory [Exhibit (HH); Plaintiff's Answer to Interrogatories, Attachment 4].

23. Prior to filing this suit, plaintiff discussed its yellow page sales revenue with its directory publishing agent and reviewed its sales dollar volume since 1978. [Exhibit (JJ).]

24. When plaintiff made changes in the fictitious listings it inserted in its 1983-1984 directory, there was written correspondence concerning the change [Exhibit (KK)]. Although requested, no correspondence concerning the change of fictitious listings in plaintiff's 1980-1981 directory has been produced.

25. Plaintiff's yellow page advertising revenue from towns in its phone exchange area totals at least \$38,256 [Exhibit (NN) left column]. Feist's yellow page revenue from those same towns totals \$8,517 [Exhibit (QQ)].

[Legal Argument and Authorities and
Jurat and Certificate of Service omitted in printing]

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF KANSAS

RURAL TELEPHONE SERVICE)	
COMPANY, INC.,)	
Plaintiff)	
vs.)	Civil Action
	No. 83-4086
FEIST PUBLICATIONS, INC.,)	
Defendant.)	

**PLAINTIFF'S REPLY TO DEFENDANT'S
MEMORANDUM IN SUPPORT OF OPPOSITION
TO PLAINTIFF'S MOTION FOR SUMMARY
JUDGMENT AND PLAINTIFF'S RESPONSE
TO DEFENDANT'S CROSS-MOTION
FOR SUMMARY JUDGMENT**

This memorandum is submitted to both reply to defendant's response to plaintiff's motion for summary judgment of copyright infringement, and to respond to defendant's cross-motion for summary judgment.

Plaintiff, Rural Telephone Service Company, Inc. (Rural) does not controvert the factual statements set forth by the defendant. Rural, however, would like to make one clarification which it feels necessary to prevent the statement from being misleading, but stipulates that it does not raise a genuine issue of material fact herein.

1. The last sentence in paragraph 4 of defendant's Uncontroverted Facts reads..."prior to this, plaintiff had forced one competitor out of business...". The directory company defendant is referring to is Uniprint, Inc. of Loveland, Colorado. In September 1978, after several Rural telephone subscriber complaints about Uniprint's directory, counsel for

Rural sent a letter to the President of Uniprint alleging possible copyright infringement and requesting a response. (Letter attached, Ex. I.) The President of Uniprint, Inc. responded by letter dated October 23, 1978, stating that litigation for copyright infringement and injunctive relief would be unnecessary since Uniprint was out of the directory business, and in fact had closed its offices in May of 1978. (Letter attached, Ex. II.) This was the only correspondence between the two companies. From this correspondence and respective dates, it can readily be seen that Rural had no part to play in Uniprint leaving the directory business.

Since no genuine issues of material fact exist, only legal determinations are left to be made. Rural continues to rely on the legal arguments set forth in its Memorandum in Support of Plaintiff's Motion for Summary Judgment and will only address those issues raised by defendant in its opposition and cross-motion.

[Legal Argument and Authorities and
Jurat and Certificate of Service omitted in printing]

1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE DISTRICT OF KANSAS
3 TOPEKA, KANSAS
4 RURAL TELEPHONE SERVICE COMPANY
INC.)
5 _____ Plaintiff)
6 vs.) Case No. 83-4086
7 FEIST PUBLICATIONS, INC.,)
8 _____ Defendant.)
9 TRANSCRIPT OF PROCEEDINGS
10 BEFORE
11 HONORABLE RICHARD D. ROGERS
12 on
13 JANUARY 11, 1988
14 APPEARANCES:
15 For the Plaintiff: MR. JAMES CAPLINGER, JR.
16 Attorney at Law
17 823 West Tenth
18 Topeka, KS 66612
19 For the Defendant: MR. KYLER KNOBBE
20 Ridenour & Knobbe
21 P.O. Box 808
22 Cimarron, KS 67835
23 Court Reporter: Ms. Debra L. Scott, C.S.R.
24 Federal Building #410
25 Topeka, KS 66683

CROSS EXAMINATION OF TOM FEIST,
PRESIDENT OF FEIST PUBLICATIONS, INC.,
BY JAMES M. CAPLINGER, JR.

- 1 Q. (Mr. Caplinger) Prior to 1977 when you went into
business, had you been
2 in the telephone publishing company?
3 A. (Mr. Feist) No.
4 Q. Or business? What kind of business had you been in?
5 A. I was a school teacher and farmer.
6 Q. And when you went into business in 1977, what was
the
7 purpose of the business?
8 A. It looked like a good idea, looked like we could
9 provide a decent service, good service. Within the
10 five towns within 20 miles of Spearville, had five
11 different directories, including a county seat had a
12 different directory than we had, so it looked like an
13 excellent idea.
14 Q. Was it the corporation's business purpose to strictly
15 publish telephone directories, or were you planning
on
16 publishing other publications?
17 A. We had no plans to publish other, anything else, but
we
18 have, we have done other things.

- 7 Q. (Mr. Caplinger) I am trying to find out for the court
8 what you did when you went into business to make
sure
9 that you were going to properly follow the Federal
10 Copyright Act?
11 A. Before we went into business, and incidentally, we did
12 purchase this from another person who had the idea,
and
13 just started selling it, but we looked at two of his
14 books he had published in Oklahoma, McCallister
and

15 Stillwater directories. It is obvious to us that he
16 violated Southwestern Bell's copyright. We were
17 certain we didn't want to do that. So that is when I
18 contacted Mr. Knobbe, and he said you must do it
19 through independent research. I assume what we did
20 was
21 through independent research.

[Transcript p. 20]

21 Q. In 1978 did you approach Rural Telephone, and re-
22 quest
23 to buy the information from them?
24 A. Yes, I did.
25 Q. Why did you do that?
26 A. I approached all the companies, all the telephone

[Transcript p. 21]

1 companies in northwest Kansas as we do in every
2 area.
3 Q. Did you feel that that was necessary?
4 A. Certainly, I knew we needed a license agreement.
5 Q. Is it your testimony today that you needed a license
6 agreement or you could go out and use somebody
7 else's
8 telephone directory without your permission, as long
9 as
10 you verified the information?
11 A. I don't understand the question.
12 Q. I am trying to find out what your intent was in 1977,
13 when you established the first northwest Kansas
14 area-wide directory. Did you feel that you needed a
15 license agreement?
16 A. Obviously we wouldn't have attended board meetings
17 and
18 so forth, and interviewed managers if we didn't think
19 it was necessary.
20 Q. And did Rural Telephone decline to sell you that
21 information?
22 A. Yes.

19 Q. And then what did you do?
20 A. We began independent research the best we could
21 through
22 many different sources.
23 THE COURT: Did you buy all the other di-
24 rectories?
25 Did all the other companies join with you?
26 THE WITNESS: Yes.
27 THE COURT: And you bought, you got a
28 license from

[Transcript p. 22]

1 them?
2 THE WITNESS: Right, we have those license
3 agreements here I believe.
4 Q. (Mr. Caplinger) Isn't it a fact that that is so
5 northwest Kansas — but Feist also publishes three
6 other directories in Kansas?
7 A. Presently — at that time three other, yes.
8 Q. I see. At that time, in the other areas in Kansas
9 where you would have published your directory there
10 were other telephone companies that declined to sell
11 you their information, correct?
12 A. Yes.
13 Q. And so when Rural Telephone, one of those individuals
14 or companies that declined, what did you do then to
15 put your directory together?
16 A. We obtained our listings as we did in rural areas,
17 through independent research.
18 Q. In other words, you took the companies, went in took
19 the companies' telephone directory, took the white
20 page
21 listing that you needed for your directory, and then
22 attempted to verify that information?
23 A. Yes.
24 Q. Did you feel at that time that that was in accordance
25 with the Federal Copyright Act?
26 A. Yes.

[Transcript p. 23]

- 1 Q. Did your attorney tell you that?
2 A. I don't remember specifically asking him. He said you
3 must get it through independent research.
4 Q. Did he ever explain what independent research meant
5 such as going out, and doing your own independent
6 canvass?
21 Q. (Mr. Caplinger) Not asking what the attorney told
22 you,
23 I am asking in your opinion back in 1978 when you
24 first
25 were compiling information to put together your first
northwest area-wide directory. So your testimony is
that you felt that you did not need to do your own

[Transcript p. 24]

- 1 independent canvass?
2 A. We did not need? It was — I knew we needed to do
3 independent research, that is what we did. It was my
4 opinion that we did hundreds of hours of independent
5 research compiling these listings, maybe thousands
6 of
7 hours just for Rural alone, just for 49 hundred
8 listings.
9 Q. Can you explain what you mean by independent
10 research?
11 A. We used different methods, as we have said before, we
12 did use Rural's directory, edited version of Rural's
13 directory, and used the post office and other sources.
14 Q. So in other words you are testifying when you say you
15 used independent resources, that would have been all
16 after the fact of taking the white page listings that
17 you needed to publish your northwest Kansas area-
18 wide
19 directory out of Rural's telephone directory, correct?
20 MR. KNOBBE: Objection, I am not sure I even
understand the question.
Q. Trying to find out, when you say you were using
independent resources, et cetera, did you start with

- 21 Rural's telephone directory?
22 A. Yes.
23 Q. And then what did you do?
24 A. The directory was edited, all of the listings that, for
25 example, foreign listings and bold listings, so forth,

[Transcript p. 25]

- 1 we took out, then they had to be placed in that —
2 Rural does what we call an interlocking directory. All
3 the listings are alphabetized in one group, not by
4 towns, so we had to list them by towns. Manually.
5 re-alphabetize them in other words, so our verifiers in
6 each town could call them. That is what it was in '78.
7 It changed by '82.
8 Q. Okay. Can you tell this court why Feist Publications
9 did not perform its own independent canvass before
10 using Rural's telephone directory?
11 A. If you can give me a viable way that I could compete
12 against Rural, and still obtain those listings by going
13 door to door, I would like to hear it. I am a personal
14 friend to at least, or I know at least two hundred
15 publishers in this country that publish Yellow Pages
16 and they would love to hear how that could be done.
17 None of them have ever come up with any ideas on
18 how it
19 can be done.
20 Q. Mr. Feist, did anybody require you to publish a
21 northwest Kansas area-wide directory including Rural
22 Telephone Company service area?
23 A. No.
24 Q. So it is strictly for profit?
25 A. It wasn't strictly for profit, no.
Q. You were including Rural Telephone's white page

[Transcript p. 26]

- 1 listings in your directory to enhance the selling of
2 Yellow Page advertising, and that was to make a
3 profit
for Feist Publications?

4 A. Not to make a profit. As I explained in my deposition,
 5 we had to go to other areas, and they required about
 6 three to four months canvass in each area. In order
 7 to keep the same man busy year round we needed
 8 another
 9 area in northwest Kansas. And we lost money the first
 10 two or three years on it. Eventually it did, shows a
 11 profit some years, some years it doesn't.
 12 Q. And a lot of businesses are that way the first couple
 13 of years.
 14 A. Sure.
 15 Q. You were present when I gave my opening statement?
 16 A. Yes.
 17 Q. And do you recall when I read what test the courts,
 18 Federal courts have used in the area of what a
 19 publishing company needs to do in compiling its own
 20 directory?
 21 A. Yes, I am familiar with it now.
 22 Q. And where that test says that you need to first make
 23 an
 24 independent canvass. Are you telling this court here
 25 today that that is impossible?
 26 A. Yes.
 27 Q. Physically impossible to do that?

[Transcript p. 27]

1 A. It would take probably 10 years to do it approxi-
 2 mately,
 3 and of course you can't — you can't produce a
 4 telephone directory like that. Covering 16 thousand
 5 miles, 16 thousand square miles with 50 thousand
 6 listings, you have to be — I presume you couldn't even
 7 use the telephone directory to call a farmer 15 miles
 8 away to make an appointment with him to go see what
 9 his
 10 listing is. That is how ridiculous it is. You would
 11 have to go out there first. If he is not home, you go
 12 out there the next day. You are talking about doing

11 that in an area of 16 thousand square miles which as
 12 I
 13 said is impossible. Economically not feasible.
 14 Q. There is a difference in being possible and not
 15 possible. You are saying it is possible —
 16 A. Not possible to produce a directory that way. If it
 17 takes ten years, coming out with a directory every ten
 18 years —
 19 Q. It is feasibly possible, but economically —
 20 A. No, I am saying it can't be done, a directory can't be
 21 done every ten years.
 22 Q. In the course of this litigation, you would have
 23 prepared and submitted an affidavit. Is this your
 24 affidavit?
 25 A. Yes.
 26 Q. And —

[Transcript p. 28]

1 MR. KNOBBE: Can I see the affidavit?
 2 THE COURT: Yes.
 3 Q. (Mr. Caplinger) Is it a fact under paragraph 18 in
 4 your affidavit that you state basically that you could
 5 not compile the information economically?
 6 A. True.
 7 Q. So, in essence it really comes down to —
 8 A. — support my statement.
 9 Q. What I am trying to find out, is it your testimony that
 10 you can't physically do it, or can't economically do
 11 it?
 12 A. Both are true. Certainly couldn't make any money on
 13 a
 14 ten-year directory.
 15 Q. Did you have to put Rural's Telephone's white page
 16 listing in your northwest —
 17 A. Yes.
 18 Q. Why?
 19 A. Look at the map. [Referring to Exhibit K-1]
 20 Q. I am looking at the map.

20 A. It would not be a contiguous directory representing
21 one
22 large trade area. That is the idea behind the combined
23 or merged directories, that you have one large trade
24 area. That thing would cut holes in it, would make it
25 impossible.
25 Q. In other words it is your opinion, your decision that

[Transcript p. 29]

1 you had to include that?
2 A. Anybody that looked at the map I think would come to
3 the same conclusion.
4 Q. Please be responsive. It was your decision?
5 A. Yes.
6 Q. Did the Kansas Corporation Commission or any other
7 state agency require you to include that?
8 A. No.
9 Q. It was your decision?
10 A. Yes.
11 Q. Did you in fact not make a profit off your 1983
12 directory by including Rural? When I say that, Rural
13 Telephone service area, and those white page listings.
14 A. I believe we made a profit in '83.
15 Q. In 1980 did anybody from Rural Telephone Service
16 Company notify you that they questioned the way you
17 are
18 putting together your northwest Kansas area-wide
19 directory?
19 A. I don't know what year it was. We received a letter
20 either from you or your father.
21 Q. And that was before my time as a lawyer, so it would
22 have been my father. And basically were they placing
23 you on notice that they felt you were infringing their
24 copyright?
25 A. I didn't feel like I was being placed on notice, no.

[Transcript p. 30]

1 Q. Hand you what has been marked Plaintiff's Exhibit 4,
2 and is that the letter that you would have received on

3 March 20, 1980 from the attorney for Rural Tele-
4 phone
5 Service Company?
5 A. Yes.
6 Q. And can you read the first paragraph into the record?
15 A. "This office represents Rural Telephone Service
16 Company
17 in Lenora, Kansas. Because of many complaints, an
18 evaluation of your northwest Kansas area-wide tele-
19 phone
20 directory has been made and your infringement of the
21 Rural Telephone copyrighted telephone directory is
22 quite clear."
23 May I make a statement now?
24 THE COURT: Sure, you can go ahead and
25 explain
26 what you want to —
27 Q. Go ahead.
28 A. Well, the fact there were many complaints, and I

[Transcript p. 31]

1 presume this is correct, shows that you can't do a very
2 good job through independent research without using
3 telephone company listings. Also they note in here
4 that, I believe it was this letter, that we put an
5 unlisted number in. At the same time accused us of
6 not
7 doing independent research. Somebody tell me how
8 we
9 got the unlisted number?
8 Q. Excuse me. When you say used independent research,
9 isn't it a fact that prior to this letter you used
10 point blank Rural Telephone's directory, and the
11 information that you would have included in your
12 northwest came from that directory, is that a fact?
13 A. It started from that. It — there was no resemblance.
14 We added many, many things that you didn't have in
15 your

15 directory, caught several hundred mistakes you made
16 in
17 your directory, for example. I am sure you heard from
18 subscribers too.
19 Q. So it is your testimony now you didn't even need Rural
20 Telephone directory?
21 A. We had to start with it. We admitted that.

[Transcript p. 34]

2 Q. Were you of the opinion that Rural Telephone was
3 including fictitious listings to protect their
4 copyright?
5 A. Yes.
6 Q. Is it a fact in '83 your northwest area-wide directory
7 came out in final form was published, it included a
8 number of these fictitious listings that were included
9 in Rural's '82 record?
10 A. Yes.
11 Q. It is your testimony you don't know how that happened?
12 A. Correct, I don't know how.
13 Q. It is a fact that Rural Telephone then brought
14 litigation claiming copyright infringement in 1983
15 against your company, correct?
16 A. Yes.

[Transcript p. 35]

18 Q. After receiving this notice of March 20, 1980, from the
19 attorney for Rural Telephone, did you ever sit down
20 with Rural Telephone, representative of Rural
21 Telephone, and inform them that you felt that the
22 process that you were using complied with the Fed-
23 eral
24 Copyright Act?
25 A. I didn't. I am not certain if any attorney didn't
write a letter. I think he probably did.

[Transcript p. 36]

20 Q. Do you recall your deposition?
21 A. Yes.

22 Q. Taken by me back in 1983, and do you recall that in
23 part the reason that you would have again used Rural
24 Telephone's directory in 1983 would have been because
25 Feist was in a hurry that year?

[Transcript p. 37]

1 A. I just explained that. We moved our publishing date
2 back two or three months, which meant we had to wait
3 until Rural's book came out before we could do
4 anything, before we could start anything, which put
5 us
6 in somewhat of a bind?
7 Q. Because —
8 A. We were changing other procedures too. We were
9 going
10 on computer at that time, which we hadn't before.
11 Q. And I take it that your testimony, because of a change
12 in the date of your publication you again used Rural
13 Telephone's directory?
14 A. More so than previously, yes.

[Transcript p. 38]

22 Q. Did Feist plan on ever conducting its own indepen-
23 dent
24 canvass?
25 A. It is not practical. Or viable.
Q. And do you have an opinion on how much it would cost
to

[Transcript p. 39]

1 conduct such an independent canvass?
2 A. Cost and time would be prohibitive.
3 Q. Do you have an opinion of how much it would cost?
4 A. No. Just common sense.
5 Q. That do you have an opinion whether it would cost
6 more
7 to do an independent canvass versus using Rural's
8 telephone directory and later verifying that
information?

- 13 A. Ask it again, please.
 14 Q. Try to find out would an independent canvass cost
 more
 15 in your opinion than simply taking the information
 from
 16 Rural's telephone directory and verifying it?
 17 A. Independent canvass, the way it is described here as
 18 not using Rural's book as a base, can't be done.

[Transcript p. 42]

[Examination of Tom Feist by Kyler Knobbe]

- 22 Q. (Mr. Knobbe) Now, I direct your attention to what's
 been marked
 23 Exhibit K-1, which is a map. Can you identify that?
 24 A. (Mr. Feist) The map itself is what we call a utility
 map. The
 25 source of this map was obtained from the KCC,
 Kansas

[Transcript p. 43]

- 1 Corporation Commission. We enhanced it somewhat,
 but
 2 the screens and the color to show the various telephone
 3 directories, and exchange areas in northwest Kansas,
 15
 4 counties.
 5 Q. So each color on that represents a different directory?
 6 A. Correct.
 7 Q. What is the Feist area-wide directory concept? Would
 8 you explain that?
 9 A. The concept is to put all of the telephone directories
 10 in one trade area, geographic trade area into one book.
 11 Q. Okay. For example, the yellow area on there, what
 does
 12 that represent on Exhibit K-1?
 13 A. The yellow is Rural Telephone Company service area.
 14 Q. Hand you Exhibit AA.

[Transcript p. 44]

- 2 Q. (Mr. Knobbe) Identify Exhibit AA.
 3 A. That it is Rural directory of I believe 1977-'78.
 4 Q. All right.
 5 A. That is the directory they had.
 6 Q. What is contained in that, in Exhibit AA?
 7 A. Rural listings only.
 8 Q. I take it you mean --
 9 A. Interlocking form, not by towns in other words.
 10 Q. Mr. Feist, hand you what has been marked Exhibit
 BB,
 11 can you identify that?
 12 A. This is our 19— our original directory for southwest
 13 Kansas 1978. It was published in March of 1978.

[Transcript p. 46]

- 5 Q. (Mr. Knobbe) I am handing you what have been
 marked
 6 Exhibits SS, TT, UU, and VV. Can you identify those?
 7 A. These are license agreements that we had with tele-
 phone
 8 companies.
 9 Q. Those are the ones that are —
 10 A. Northwest Kansas, yes.
 11 Q. They were the ones that were in effect when the
 alleged
 12 infringing directory came out?
 13 A. Yes.
 14 Q. And now I am handing you L-1, M-1, N-1, and O-1.
 Can
 15 you identify those?
 16 A. These apparently are the latest.
 17 Q. The ones currently in effect?
 18 A. Yes.
 19 Q. You still license with all the companies in northwest
 20 Kansas with the exception of Rural?
 21 A. Yes.
 22 Q. You did not obtain a license from Rural?
 23 A. No.

24 Q. Did you show them that directory that is put out in
25 southwest Kansas?

[Transcript p. 47]

1 A. Yes, we did.

2 Q. I am handing you what has been marked Exhibit DD.
Can

3 you identify that?

4 A. That's Rural's, a Rural directory dated '78-'79.

5 Q. Did that come out after or before you appeared before
6 the board?

7 A. About six months after I appeared before the board.

8 Q. And is it in any way different from the earlier
9 directory?

10 A. Obviously it is different. This looks like a 6 by 9
11 directory which is standard. This is a 9 by 11
12 directory, a larger, larger formality, and trim size,
13 and there are listings in there for other towns besides
14 the Rural service area.

[Transcript p. 48]

12 THE COURT: I am asking him if in Rural's
1978-'79

13 directory which includes Rural area, plus other areas,
14 other towns not in their other areas, not in their
15 area, did they have licenses with the other areas?

16 MR. KNOBBE: You can't testify to that. That
is

17 in the opinion, not within your knowledge.

18 THE WITNESS: I know the answer.

19 MR. KNOBBE: Go ahead then if that is the
answer.

20 THE WITNESS: It is no, they didn't have a
21 license.

[Transcript p. 49]

3 Q. (Mr. Knobbe) Okay. Mr. Feist, let's move over to how
4 your verification process works. What we have, Your
5 Honor, are generally business records, summary of

6 business records. We will try to move through them
7 fairly promptly for you.

8 Would it be more helpful for you to step down?

9 Would you like me to give you a summary of what is
10 laying on the table which is going to be of more
11 benefit to your testimony?

12 A. There are many steps.

13 THE COURT: Do you have another copy of
that for
14 the court?

15 MR. KNOBBE: Yes, Your Honor.

16 A. May I approach the exhibits?

17 THE COURT: Sure, go right ahead.

18 A. In Exhibit C, this is the, a Rural directory, edited
19 version of the Rural directory. As you can see it is
20 marked up. There are, maybe you can't see, but there
21 are marks on at least half the listings or more.

[Transcript p. 50]

11 Q. (Mr. Knobbe) Okay, go ahead, move on to Exhibit D.

12 A. Okay. This is an alphabetical list of our base, the
13 directory we used the year before. The computer had
to

14 alphabetize it by town in order for us to do some
15 editing on it, updating it from notes that we had.

16 Q. These are Exhibit E.

17 A. These are cards we sent to post offices. We had to
18 send a card for every listing, and pay I think 13 cents
19 to the post office at that time. That is what a post
20 card costs, and to update listings in that way. We
21 found Rural does not put addresses in their directory,
22 except for Victoria, the town of Victoria. And we
23 added addresses for everyone in the directory.

24 Exhibit F are letters and notes that we received
25 in our office, phone calls and so forth, people calling

[Transcript p. 51]

1 us and telling us that we made a mistake or left their
2 listing out. And incidentally when we did verify if we

3 cannot get a hold of someone, if our verifiers can't,
4 we call repeatedly sometimes 15, 20 times over a
5 period
6 of three weeks. If we cannot contact them, we leave
7 them out of the directory. Eventually these people
8 called us or write us, say you left us out of the
9 directory, it is not complete. That is what this pile
is.

10 G is a preparation — well, I am not certain
what

11 G is.

12 Q. Identified as a computer printout interlocking?

13 A. It is supposed to be phone order directory that we send
14 to the verifiers. In other words, we — our computer
15 lists these —

16 Q. Excuse me, isn't G — this says we sent that to Data
17 Graphics for key. Are you down the line? H is the
18 verifiers?

19 A. Okay, that went through our computer vendor in
Phoenix,

20 Arizona. When it comes back to us, it is in phone
21 order sequence which means the smallest number
first

22 going down to the largest. We do this for two
23 different reasons. One, to keep our verifiers honest,
24 so they won't use the Rural directory to compare, side
25 by side comparing. They can't do it. It is in phone

[Transcript p. 52]

1 order sequence. To find a name you have got to go
2 through the whole list. The other reason we do it is
3 so that they can see the gaps between numbers.
Maybe

4 there is three sets of digits that are missing, and so
5 they can call those three, and attempt to find new
6 numbers. We paid them extra for any new numbers
that
7 they found.

8 Exhibit H are the verifiers' listings returned to

9 us with all their markings. Thousands and thousands
of

10 markings went on to this.

11 That then, well Exhibit I, these are — this is
12 the cleanup I was telling you about that our in-house
13 verifiers do. The people that cannot be contacted
14 originally by the verifiers in Rural's area, we
15 continued to try to contact them, and this is what this
16 is. We do calling between numbers, and that is
17 represented in here too. This is strictly in-house
18 stuff.

19 J, the in-house work we had done is then
placed on
20 another computer sheet.

21 We also had white bold listings which I guess
if

22 anything was totally obtained through independent
23 research, these would be. These people were called on
24 by our salesmen when they canvassed northwest
Kansas,

25 they also were added to the white pages.

[Transcript p. 53]

1 Then we have the repro Data Graphics, our
vendor

2 puts it in pagination form. We go through that one
3 more time, and proof it manually.

4 These last two are N. This is done in repro form
5 so that we can proof what was sent to us. I am sorry.
6 We can proof what — this is put in — in interlocking
7 form so we can proof the verifiers' listings, and then
8 finally it is put, the directory proof is put in
9 alphabetical form so we can compare this with the
repor

10 and proof.

11 Then P is a ledger book, side by side listings
12 showing our listings and Rural's, and anything that
has

13 a, that is color coded, color marked is a change. You

14 can see most of them have been changed. We found
200
15 some mistakes that Rural made in their listing,
16 misspelling of names, and in fact some numbers that
17 were even incorrect. As you can see most of the
18 listings, if I may approach the bench —
19 THE COURT: Yes.
20 A. Most of the listings had been changed, addresses, or
21 whatever.
22 Q. Let's run that by again. On the lefthand side, what
23 did you do? You compiled a composite here is what
24 Rural's listings show?
25 A. Yes, up here.

[Transcript p. 54]

1 Q. And here is how the listing appears in the Feist book?
2 A. Right. Here is how our listings appear, and theirs.
3 There is very little — very few listings that are
4 identical.
5 THE COURT: Okay.
6 Q. When you prepared Exhibit P, did you make a com-
putation
7 of how many potentially duplicate listings there
were,
8 same listing appearing in your directory and Rural
9 directory, rough numbers?
10 A. We did. I don't recall.
11 Q. Okay. Do you have an idea of the percentage that are
12 different?
13 A. Percentage? It's got to be 80 percent or higher.
14 Q. When you went through this verification process, did
you
15 think you were violating the telephone company's
16 copyright by using —
17 A. Of course not.
18 Q. You have testified you cannot compile a directory by
an
19 independent survey. Could you do a house to house
20 survey if you went and called on those people?

21 A. Once again I don't see how it is possible.

[Transcript p. 56]

12 Q. (Mr. Knobbe) These are the fictitious listings
13 inserted in Rural book, Exhibit 1. How many are on
14 that page?
15 A. You want me to count them?
16 Q. 28.
17 A. 28.
18 Q. All right. Of those 28, how many did you, were
19 included in the Feist northwest Kansas area-wide,
20 Exhibit 2?
21 A. Four. Can I make a further statement on that?
22 Q. Sure.
23 A. There were more than 28 fictitious listings, there
were
24 almost twice that many.
25 Q. That you took out?

[Transcript p. 57]

1 A. About 56 I think would be more accurate.

[Transcript p. 62]

23 Q. Does Rural still refuse to license?
24 A. Yes.
25 Q. Mr. Feist, I am handing you what has been marked

[Transcript p. 63]

1 Exhibit P-1, can you identify that?
2 A. That's Kansas Central Regional Telephone Directory.
3 Q. Okay. What telephone companies put that telephone
4 directory out?
5 A. Wilson H and B Telephone Company.
6 Q. Would you turn to page 17 of that directory. There is
7 a clip on it.
8 A. Okay. Directory listings, license agreement, they have
9 a list of their license agreements on that page.
10 Q. Now, that page tells you what the different listings
11 that are in this directory that come from other phone

12 companies?
 13 A. Correct.
 14 Q. Would you read the third — is it the third? I am
 15 sorry.
 16 A. Third one, yes.
 17 Q. Read the third paragraph down.
 18 A. "The Olmitz listings contained herein are
 19 transcribed by Gronseth Directory Service
 20 Corporation, from compilations copyrighted 1986 by
 Rural
 21 Telephone Service Company, Inc., and may not be
 22 reproduced in whole or in part, or in any form
 23 whatsoever without the consent of Rural Telephone
 24 Service Company Inc."
 25 Q. What does that tell you?

[Transcript p. 64]

1 A. It tells me they are licensing with another company in
 2 an area that does not compete against them.
 5 Q. A couple of things that we need to clear up. In your
 6 direct or cross or whatever the initial examination by
 7 Mr. Caplinger, we went through that other companies
 8 declined to license with you. How many companies
 9 license with you, Tom — Mr. Feist?
 10 A. Probably half a dozen small, very small companies.
 11 These two for example.
 12 Q. Those two?
 13 A. Because they decided to come out with their own
 14 area-wide, so they apparently for that reason refuse
 15 to
 16 license.
 16 Q. Did any of those companies that aren't licensing with
 17 you, did they sue you?
 18 A. No.
 19 Q. One more thing. On Exhibit 4, that's the letter from
 20 Rural's lawyer to you, there is a second page to that
 21 letter, is there, to Exhibit 4?
 22 A. Yes.

23 Q. And what is that?
 24 A. That is your answer apparently.
 25 Q. Okay. From the second paragraph of that letter, this

[Transcript p. 65]

1 is the letter from Feist's lawyer to Rural's lawyer,
 2 "Would be helpful to me if either you or Mr. Austerman
 3 would forward me a list of the alleged copyright
 4 infringements together with the sample of the two
 5 directories with these infringements marked and a
 6 partial list of the Rural subscribers, subscriber
 7 witnesses who allegedly were not contacted by Feist."
 8 Did Rural ever supply you a list of copyright
 9 infringements of subscribers who were not contacted?
 10 A. No, they did not.
 11 Q. So for all you know you weren't violating their
 12 copyright?
 13 A. Correct.

[Transcript p. 67]

[Recross by Mr. Caplinger]

1 Q. (Mr. Caplinger) Mr. Feist, want to make sure we clear
 up for the court,
 2 judge asked you whether in 1978 when you approached
 3 Rural whether Rural licensed with other companies.
 4 Remember that question?
 5 A. (Mr. Feist) Yes.
 6 Q. Just want to make sure, do you have any knowledge
 of
 7 whether Rural Telephone had license agreements
 with
 8 other telephone companies at that time?
 9 A. No.
 20 Q. Do you have any personal knowledge of whether
 Rural
 21 licensed with any other telephone directory publish-
 ing
 22 companies between 1978 and today besides the
 23 Gronseth Directory that you testified to?

24 A. I am not aware of it.

[Transcript p. 69]

25 Q. And in that area of fictitious listings that were

[Transcript p. 70]

1 included in Rural's book that later in part were
2 included in your '83 directory, I believe your
3 testimony earlier was you don't know how that hap-
pened?

4 A. Correct.

5 Q. And if that's — if it is possible you don't know how
6 it happened, then it would be possible, would it not,
7 that Feist copied portions of Rural's telephone
8 directory without verifying?

9 A. No.

10 Q. And can you qualify that answer?

11 A. That's right, since I don't know how it happened,
12 because there are the verifications. All you will need
13 to do is look at them. Those listings, four listings
14 you are referring to were taken out, initialed by our
15 verifiers, they were not in there. All I can answer is
16 I don't know how they — somewhere, somewhere
along the
17 line in one of those steps somebody inserted those
18 listings. That is the only conclusion. How or why we
19 don't know.

[Transcript p. 72]

5 Q. (Mr. Caplinger) You stated that Rural Telephone to
the

6 best of your knowledge has a license agreement with
one

7 other publishing company, correct?

8 A. To my knowledge, yes.

9 Q. And in 1978 when you approached Rural Telephone,
10 attempting to buy those listings, how many did you
11 offer to pay Rural Telephone for those?

12 A. The standard rate which we have always offered
every

13 telephone company, every independent telephone
company,

14 I think it was ten cents a listing at that time.

15 Q. Okay. And in 1980 when your attorney responded
through

16 correspondence to our letter of March 20, 1980, was
17 there discussion between the parties as to entering
18 into a license agreement at that time?

19 A. Yes.

20 Q. And what was the amount that you were willing to
pay

21 for the license agreement from Rural at that time?

22 MR. KNOBBE: Object, the issue of whether
they

23 refuse to license is not an issue. We alleged it in

24 counterclaim, and they admitted it. It is an

25 admitted fact Rural has refused to license, period.

[Transcript p. 73]

1 MR. CAPLINGER: His response has made it
an issue

2 in this hearing that we have refused.

3 THE COURT: Perhaps I better have the full
4 picture here. Go ahead.

5 Q. (Mr. Caplinger) What amount were you willing to
pay?

6 A. I don't recall.

7 Q. Ten cents?

8 A. I do not recall.

9 Q. The same ten cents that was in 1978?

10 A. What year?

11 Q. Well, strike that. What were you paying other
12 telephone companies that you were licensing with in
13 1980?

14 A. Depending on the term of the contract, whether it was
15 one year, three year, five year or eight year.

16 Q. Okay.

- 17 A. Contract.
 18 Q. And how much are you, how much are you paying
 telephone
 19 companies today?
 20 A. Depending on the term.
 21 Q. What is that?
 22 A. One year is 15 cents per listing per year. Three
 23 years, three year contract is 15 cents per listing per
 24 year plus a thousand dollars. Five year I believe is
 25 \$800.00 implementation fee plus 15 cents per listing

[Transcript p. 74]

- 1 per year, and eight year is 35 cents per listing per
 2 year plus I think a thousand dollars implementation
 3 fee.
 4 Q. So if Rural were to license with you today, what would
 5 you pay them?
 6 A. That is what we would pay them.
 7 Q. 15 cents?
 8 A. Whichever one they choose. It is their option.
 9 Q. You made reference to the agreement between Rural
 10 Telephone and the other publishing company that
 11 they have a license agreement with, and can you look at
 12 that, and tell me what they are paying Rural Tele-
 phone?
 13 A. Per listing?

[Transcript p. 75]

- 4 Q. (Mr. Caplinger) What is Rural Telephone being paid
 per
 5 listing?
 6 A. Fifty cents, depending on what service they get.

[Transcript p. 76]

[Re-Examination by Mr. Knobbe]

- 1 Q. (Mr. Knobbe) Have you always offered to license with
 Rural on the
 2 same terms as you have offered every other phone

- 3 company?
 4 A. (Mr. Feist) Yes.

[Further Re-Cross Examination by Mr. Caplinger]

- 18 Q. (Mr. Caplinger) Mr. Feist, how much do you pay
 Continental Telephone
 19 presently for white page listings?
 20 A. (Mr. Feist) I am not certain, 35 cents I think.
 21 Q. Do you pay anybody else out there more than 35
 cents?
 22 A. We may pay United 40, 45.
 23 Q. Do you recall ever offering Rural Telephone 35 cents?
 24 A. No.
 25 Q. Or the 45 cents?

[Transcript p. 77]

- 1 A. No.
 2 Q. Do you recall ever offering them anything more than
 10
 3 or 15 cents?
 4 A. At one time there was some talk. I think we threw a
 5 figure at them which was, I don't know, I don't recall
 6 what it was, but it was whatever the going rate was at
 7 that particular time.

[Transcript p. 78]

[Cross Examination of Larry Sevier, manager of
 Rural Telephone Service Company, Inc. by Kyler Knobbe]

- 11 Q. (Mr. Knobbe) I assume you are familiar with this case,
 Mr. Sevier?
 12 A. (Mr. Sevier) Familiar.
 13 Q. Have you read the documents in the case?
 14 A. No.
 15 Q. Have you read the letter from Mr. Caplinger to Feist
 16 Publications dated March 20 of 1980?
 17 A. No.
 18 Q. I hand you what has been marked Exhibit 4. Review
 it.
 19 Direct your attention to paragraph two. I am having
 20 difficulty here. I look at paragraph two, it says

21 Feist infringed Rural's copyright in printed and
22 unlisted numbers. Now did Feist copy that unlisted
23 number from Rural's directory?

24 MR. CAPLINGER: Objection, this witness just
25 became manager of Rural Telephone Company in
January 1

[Transcript p. 79]

1 of 1986. He is not even from western Kansas. He just
2 testified that he, before today, before looking at the
3 letter, he has not read it. I don't see how he can be
4 expected to answer questions about it.

5 THE COURT: If he can't answer it, he can tell
us.

6 A. (Mr. Sevier) Okay, what was your question?

7 Q. (Mr. Knobbe) Did Feist copy that unlisted number
from

8 your telephone directory?

9 A. I have no idea whether you did that or not.

10 Q. Do unlisted numbers appear in your telephone di-
rectory?

11 A. Not normally.

12 Q. Okay. Mr. Sevier, I am going to hand you — let's see,
13 I don't think there is any question here.

14 (Off the record discussion.)

15 Q. All I have done in house is save us a little time by
16 marking a page and a name that I want you to refer
to,

17 so we are not going to spend a ton of time fumbling
18 around. That is the pages that I will be referring to
19 out of Exhibit 1, pages from Exhibit 2.

20 Exhibit 1 is the Rural directory, Exhibit 2 is
21 Feist directory. Would you please look up Mark and
22 Cindy Anderson, A-N-D-E-R-S-O-N?

23 A. Okay.

24 Q. All right. You are looking at Exhibit 1, the Rural
25 directory?

[Transcript p. 80]

1 A. Yes.

2 Q. All right. What is their address?

3 A. Rexford.

4 Q. Would you please refer to Exhibit 2, and look up Mark
5 and Cindy Anderson. For your benefit it is the first
6 paper clip. Do you have that?

7 A. Yes.

8 Q. What is their address in Exhibit 2?

9 A. Rural Route 1 Box 89, Menlo.

10 Q. Did Feist copy that address from Rural's directory?

11 A. It does not appear that way.

12 Q. Mr. Sevier, at the second paper clip would you look up
13 please, Jan Bretz, B-R-E-T-Z. In Exhibit 1, Rural
14 directory. What is the phone number for Jan Bretz?

15 A. 627-4695.

16 Q. Would you please look up Jan Bretz in Exhibit 2, the
17 Feist directory?

18 A. Okay.

19 Q. Can you read that phone number?

20 A. 627-4980.

21 Q. Are those the same?

22 A. No.

23 Q. Did Feist copy that phone number from the Rural
24 directory?

25 A. Evidently not.

[Transcript p. 81]

1 Q. Mr. Sevier, please look up Alfred Desair, D-E-S-A-I-R,
2 in Exhibit 1, the Rural directory.

3 A. Okay.

4 Q. And what is Mr. Desair's wife's name?

5 A. Forena.

6 Q. Spell that.

7 A. F-O-R-E-N-A.

8 Q. Would you please look up Mr. Desair in Exhibit 2, the
9 Feist directory. What is his wife's name?

10 A. Lorena.

11 Q. Please spell that.

12 A. L-O-R-E-N-A.
 13 Q. Not F-O-R-E-N-A.
 14 A. Right.
 15 Q. It was different?
 16 A. The two differ.
 17 Q. Did Feist copy that wife's name from the Rural
 18 directory?
 19 A. Evidently not.
 20 Q. Would you please look up Mrs. Josaphine Fiala.
 21 F-I-A-L-A. I suggest you look in Exhibit 2 first, the
 22 Feist directory. Do you find that listing?
 23 A. Yes.
 24 Q. Is there an address for Mrs. Fiala?
 25 A. Yes.

[Transcript p. 82]

1 Q. What is that address?
 2 A. Jennings.
 3 Q. And a phone number?
 4 A. 678-2449.
 5 Q. That address and number within your exchange area,
 6 within the Rural exchange area?
 7 A. The address is, yes.
 8 Q. The phone number is not?
 9 A. Well, I would have to check the phone number.
 10 Q. Is Jennings serviced by you?
 11 A. Yes.
 12 Q. Would you look up Mrs. Josaphine Fiala in Exhibit 1.
 13 I
 14 put a mark where she should be.
 14 A. Okay, I haven't looked it up. I don't see it.
 15 Q. Her listing does not appear in Exhibit 1, is that
 16 correct?
 17 A. It does not appear in alphabetical order that I am
 18 looking at.
 19 Q. Did Feist copy that listing from the Rural directory?
 20 A. Evidently not.
 21 Q. I am not going to put the court asleep. Do you realize
 22 I can do this 3600 more times with those two

23 directories?
 24 A. No, I don't.
 25 Q. Mr. Sevier, when a person gets a phone number, that

[Transcript p. 83]

1 numbers originates with Rural, doesn't it?
 2 A. Yes.
 3 Q. Rural assigns the person the number?
 4 A. Right.
 5 Q. They are the only place to get the number?
 6 A. In our jurisdiction, yes.
 7 Q. and you can change that phone number?
 8 A. Yes.
 9 Q. So would it be fair to say that Rural is the source of
 10 that phone number?
 11 A. Yes.
 12 Q. When Rural compiles its directory, it doesn't make a
 13 house to house survey, does it?
 14 A. When we compile our directory from year to year, or
 15 from the beginning?
 16 Q. When you compile your directory from year to year,
 17 you
 18 don't make a house to house survey, do you?
 18 A. When we compile our directory from year to year, we
 19 do
 20 not make a house to house survey. We have our new
 21 customers come in and make application to us. We
 22 assign them a phone number, and then we update our
 23 records.
 23 Q. You don't even have to go to them. They come to you,
 24 right?
 25 A. We have to go to them, yes.

[Transcript p. 84]

1 Q. You have to go to them, say I want to sell you a phone
 2 need your listing and your number to put in the
 3 directory?
 4 A. We do not go to them to get a number for the directory.
 5 However, one major difference we need to understand

6 here, we provide telephone service in our area. We
7 must go to them to connect their telephone service. At
8 the same time we assign them a directory number. We
do

9 end up going to them, yes.

10 Q. To provide the phone service?

11 A. Yes.

12 Q. Not to compile a directory?

13 A. Well, it is all one in the same with us. We compile
14 our directory and provide phone service.

15 Q. Do you do a phone dialing survey of your subscribers
16 before you compile a directory?

17 A. For compiling a directory, or for —

18 Q. Before you compile one.

19 A. No.

[Direct Examination by Mr. Caplinger]

23 Q. (Mr. Caplinger) Just have several questions for you,
Mr. Sevier.

24 Looking at the same two exhibits counselor handed
you,

25 Exhibits 1 and 2, with 1 being Rural's, and 2 being

[Transcript p. 85]

1 their 1983 directory, on page one of Exhibit 1, Rural's
2 directory, you find Anderson Andrew Gove, 938-2317?

3 A. (Mr. Sevier) Yes.

4 Q. Okay, and then in their directory you find Anderson
5 Andrew Gove 938-2317?

6 A. Yes.

7 Q. Are those two identical?

8 A. Yes.

9 Q. Can you tell me whether Feist copied that information
10 out of Rural's telephone directory?

11 MR. KNOBBE: Objection, he has no personal
12 knowledge of Feist's action.

13 MR. CAPLINGER: Asking the same question
14 you asked

15 of this individual.

THE COURT: Well, go ahead. It won't hurt.

16 A. Okay, it appears evidently that they did copy out of
17 the directory.

18 Q. (Mr. Caplinger) Okay, and were you in the courtroom
19 this morning when Mr. Tom Feist took the stand?

20 A. Yes.

21 Q. And did you hear him testify that in 1978 they in fact
22 used Rural Telephone's directory?

23 A. Yes.

24 Q. This Exhibit 1, Exhibit 2 Mr. Knobbe asked you
25 questions about, you are aware that is the '83

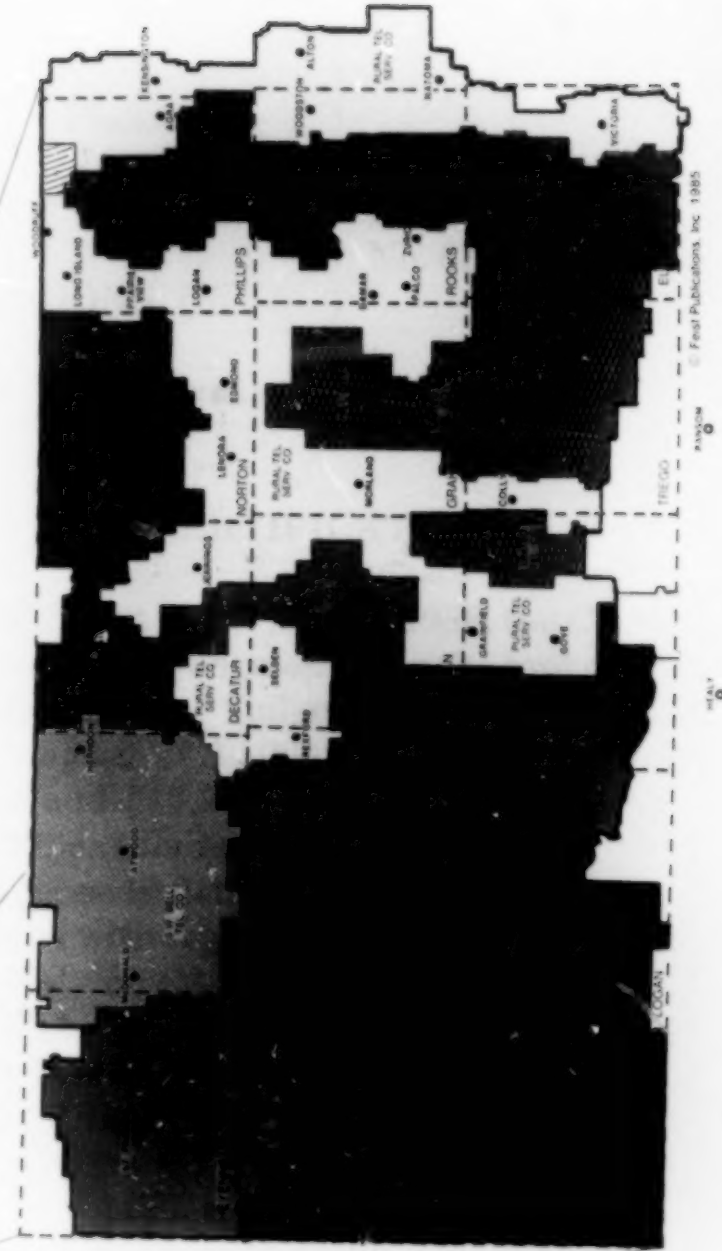
[Transcript p. 86]

1 directory, correct?

2 A. I wasn't aware, no.

3 Q. So in other words, in your opinion, it is possible that
4 in 1978 they copied the information, and in the next
5 five years they could have amended it, and added
6 things, that is why the difference?

7 A. It is possible.



IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF KANSAS

RURAL TELEPHONE SERVICE)
COMPANY, INC.,)
)
Plaintiff,)
)
v.) Civil Action
) No. 83-4086-R
FEIST PUBLICATIONS, INC.)
)
Defendant.)
)

RULE 54 (b) CERTIFICATION

NOW ON THIS 21st day of March, 1988, the Court directs the entry of a final judgment as to the copyright infringement claim herein. Judgment is entered for plaintiff in the amount of \$6,000 on a copyright infringement claim and \$15,280 attorney's fees on the copyright infringement claim.

The Court expressly determines that there is no just reason for delay with regard to the copyright claim herein and expressly directs the Clerk to enter judgment as set forth above. Every issue in the copyright part of this matter is final as to the claim of both parties.

IT IS SO ORDERED.

/s/ Richard D. Rogers
Richard D. Rogers
United States District Judge

UNITED STATES DISTRICT COURT
DISTRICT OF KANSAS

JUDGEMENT IN A CIVIL CASE

RURAL TELEPHONE SERVICE
COMPANY, INC.

Plaintiff,

v.

FEIST PUBLICATIONS, INC.,

Defendant.

CASE NUMBER: 83-4086-R

☒ Decision by Court. This action came to trial before the Court. The issues have been tried and a decision has been rendered.

IT IS ORDERED AND ADJUDGED that judgment is entered for plaintiff in the amount of \$6,000 on a copyright infringement claim and \$15,280 attorney's fees on the copyright infringement claim.

(EOD 03/22/88)

March 22, 1988

Date

RALPH L. DeLOACH

Clerk

/s/ C. Masters

(By) Deputy Clerk

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF KANSAS

RURAL TELEPHONE SERVICE)
COMPANY, INC.,)
)
Plaintiff,)
)
v.) Civil Action
) No. 83-4086-R
FEIST PUBLICATIONS, INC.)
)
Defendant.)
)

NOTICE OF APPEAL

Notice is hereby given that Feist Publications, Inc., defendant above named, hereby appeals to the United States Court of Appeals for the Tenth Circuit from the final judgment entered in this action on the 22nd day of March 1988.

April 18, 1988

Respectfully submitted

/s/ Kyler Knobbe
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IN THE SUPREME COURT
OF THE UNITED STATES

No. 89-1909

Feist Publications, Inc.,
Petitioner

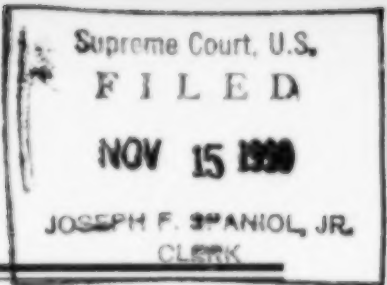
Rural Telephone Service Company, Inc.,
Respondent

ON PETITION FOR WRIT OF CERTIORARI to
the United States Court of Appeals for the Tenth Circuit

The motion of Association of North American Directory Publishers, et al. for leave to file a brief as amicus curiae is granted. The petition for a writ of certiorari is granted, limited to Question 3 presented by the petition.

October 1, 1990

(9)
No. 89-1909



IN THE
SUPREME COURT OF THE UNITED STATES
OCTOBER TERM, 1990

FEIST PUBLICATIONS, INC.,

Petitioner

v.

RURAL TELEPHONE SERVICE COMPANY, INC.,

Respondent

ON WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS
FOR THE TENTH CIRCUIT

BRIEF FOR PETITIONER

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Counsel of Record
Counsel for Petitioner

QUESTION PRESENTED

Does the copyright in a telephone directory by the telephone company prevent access to that directory as a source of names and numbers to compile a competing directory, or does copyright protection extend only to the selection, coordination, or arrangement of those names and numbers?

LIST OF PARTIES AND RULE 29.1 LIST

There are no parties to this proceeding not revealed by the caption.

Feist Publications, Inc. has no parent company. Feist Publications, Inc. owns 79 percent of Feist Management, Inc. There are no other subsidiaries.

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IN THE
SUPREME COURT OF THE UNITED STATES
OCTOBER TERM, 1990

FEIST PUBLICATIONS, INC.,
Petitioner

v.

RURAL TELEPHONE SERVICE COMPANY, INC.,
Respondent

ON WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS FOR
THE TENTH CIRCUIT

BRIEF FOR PETITIONER

OPINIONS BELOW

The opinion of the Court of Appeals for the Tenth Circuit is not reported. It is reprinted in the appendix to the Petition for Certiorari filed herein, pp. 1a-4a.

The opinion of the United States District Court for the District of Kansas is reported at 663 F.Supp. 214 (D. Kan. 1987), and is reprinted in the appendix to the Petition for Certiorari filed herein, pp. 5a-18a.

JURISDICTION

On March 8, 1990, the United States Court of Appeals for the Tenth Circuit entered its Order and Judgment affirming the determination of the District Court. No petition for rehearing was sought. The Petition for a Writ of Certiorari was filed in this Court on May 29, 1990, and was granted on October 1, 1990.

The jurisdiction of this Court to review the judgment of the Tenth Circuit is invoked under 28 USC §1254 (1).

CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED

United States Constitution, Article I, Section 8: Powers of Congress. Clause 8. The Congress shall have Power...

To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries;

17 USC §101. Definitions

As used in this title, the following terms and their variant forms mean the following:

...

A "compilation" is a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship...

17 USC §102. Subject Matter of Copyright: In General

(a) Copyright protection subsists, in accordance with this title, in original works of authorship fixed in any tangible medium of expression, now known or later developed, from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. Works of authorship include the following categories:

(1) literary works;

(2) musical works, including any accompanying words;

(3) dramatic works, including any accompanying music;

(4) pantomimes and choreographic works;

(5) pictorial, graphic, and sculptural works;

(6) motion pictures and other audiovisual works; and

(7) sound recordings.

(b) In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work.

17 USC §103. Subject Matter of Copyright: Compilations and Derivative Works

(a) The subject matter of copyright as specified by section 102 includes compilations and derivative works...

(b) The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material. The copyright in such work is independent of, and does not affect or enlarge the scope,

duration, ownership, or subsistence of, any copyright protection in the preexisting material.

17 USC §107. Limitations on exclusive rights: Fair use

Notwithstanding the provisions of section 106, the fair use of a copyrighted work, including such use by reproduction in copies or phonorecords or by any other means specified by that section, for purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research, is not an infringement of copyright. In determining whether the use made of a work in any particular case is a fair use the factors to be considered shall include—

(1) the purpose and character of the use, including whether such use is a commercial nature or is for nonprofit educational purposes;

(2) the nature of the copyrighted work;

(3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and

(4) the effect of the use upon the potential market for or value of the copyrighted work.

STATEMENT OF THE CASE

This case calls upon the Court to resolve a conflict among several circuits over the copyrightability and infringement of compilations, in particular the white pages of telephone directories published by the local telephone company as required by its telephone service franchise.

In 1976, Congress enacted an omnibus copyright law reform. [17 USC §101 et seq.] As part of that reform, Congress

provided illustrative categories of protectable subject matter [17 USC §102(a)], and, in certain cases, also provided definitions of that subject matter. [17 USC §101]. These definitions set forth Congress' intention regarding the standards for copyright protection for the defined categories. Elsewhere in the Copyright Act, Congress limited the scope of protection for certain categories of copyrighted works. In the case of compilations and derivative works, such limitations are embodied in 17 USC §103. Another limitation applicable to all works is the fair use doctrine codified in 17 USC §107.

The issue on which the courts are divided involves the nature of protection for compilations, in particular the white pages of telephone directories. The Tenth, Seventh, and Eighth Circuits have adopted an approach called the "sweat of the brow," under which copyright protection is accorded not on the basis of the compiler's expression ("selection, coordination, or arrangement" in the words of the statute), but rather on the basis of the compiler's labor and investment. The Second, Fifth, Ninth, and Eleventh Circuits have rejected this approach, concluding that copyright only extends to original works of authorship as defined in the Copyright Act, and does not encompass labor, investment, or facts *qua* facts.

The Tenth and Seventh Circuits have also erected a *per se* rule regarding fair use in compilation cases. Under this rule, where an individual or company wishes to publish a compilation, that individual or company may not assert a claim of fair use if the individual or company begins by consulting previously published compilations. This rule is not applied for other types of works, and has not been adopted by other circuits.

The dispute here concerns the copyrightability and infringement of white pages telephone listings published by respondent Rural Telephone Service Company, Inc. ("RTSC") for portions of an eleven county area in northwest Kansas as required by RTSC's telephone service franchise. As is typical, the white pages listings were published jointly with yellow pages advertising. Petitioner Feist Publications, Inc. ("Feist") is not affiliated with any telephone company, but is an independent company in the business of publishing combined

white and yellow pages directories. Feist's publication for northwest Kansas encompasses all fifteen counties in that area, including the portions of the eleven counties included in RTSC's directory. Both Feist and RTSC distribute their telephone directories for free. They compete vigorously for paid yellow pages advertising.

After Feist unsuccessfully attempted to obtain updated white pages listings by license directly from RTSC, Feist created its own directory after doing independent verification of the listings in RTSC's latest directory. RTSC sued for copyright infringement. Feist filed a counter-claim alleging that RTSC's refusal to license was an anti-trust violation under the "essential facilities" and/or "intent to monopolize" theory of Section 2 of the Sherman Act. The district court severed the anti-trust claim, which was later decided in Feist's favor.¹

The copyright claim was heard on cross-motions for summary judgment. The district court, applying the "sweat of the brow" theory and a per se rule on fair use, ruled that RTSC's white pages listings were copyrightable and had been infringed. The Tenth Circuit affirmed in an unpublished opinion that adopted the reasoning of the district court.

Petitioner submits that the courts below erred in relying on the "sweat of the brow" theory and in using a per se rule on fair use. Petitioner submits that the nature and scope of protection for compilations, including RTSC's white pages listings, must be based on the current copyright statute, and that, when analyzed according to the criteria set forth in the statute, alphabetical listings of names, addresses, and telephone numbers do not meet the statutory requirements for copyright protection. Even if RTSC's work does meet the statutory requirements, Petitioner submits that its selective use of names, addresses, and telephone numbers from RTSC's work as a starting point in creating its own, different directory does not constitute infringement.

1. See *Rural Telephone Service Company, Inc. v. Feist Publications, Inc.*, 737 F.Supp. 610 (D. Kan. 1990). RTSC has appealed.

A. Statement of Facts

1. The Parties and their Telephone Directories.

RTSC is a telephone company granted monopoly status by the state to provide telephone service to subscribers in designated areas of northwest Kansas. In conjunction with its provision of telephone service, RTSC compiles an annual telephone directory covering its telephone service area.² The telephone directory is a typical "telephone book" printed partly on white pages and partly on yellow pages. The portion printed on white pages lists in alphabetical order the names, addresses, and telephone numbers of RTSC's telephone subscribers. The yellow pages list businesses alphabetically by category and contain advertising.

Feist also publishes telephone directories containing white page listings of telephone subscribers and yellow page advertising. Feist, however, is an independent publisher, not a telephone company with a monopoly status. Feist does compete with RTSC and other telephone companies for yellow page advertising³ in areas covered by its directories.

2. Feist's AREA-WIDE Concept.

Feist began business in 1977, in Spearville, Kansas. Spearville is a community of about 600 people in Ford County, Kansas. At the time Feist began business there were five towns within twenty miles of Spearville, with residents' telephone numbers listed in five different telephone directories. As a result, a phone subscriber in Spearville, Kansas, calling his county seat, Dodge City, had to consult a different telephone directory, if available, or dial the information operator since the two towns were serviced by different telephone companies. (J.A. 61).

2. RTSC, as a telephone company monopoly, is required by State Regulatory Directive to issue a telephone directory each year. See May 1, 1967, Directive set forth in Appendix hereto, p. 1a, *infra*.

3. The yellow pages are not at issue in this case; each party sells and prepares its own yellow page advertising.

Feist introduced the AREA-WIDE concept in order to put all telephone subscribers in one trade area into one telephone directory so a consumer would have access to listing information (name, address, and telephone number) for his trade area without having to consult an additional telephone directory or the information operator (J.A. 72).

In northwest Kansas, there are eleven different telephone directories as evidenced by Exhibit K-1. (J.A. 72, Ex. K-1 is at J.A. 93. Each color represents a separate telephone directory). In accordance with Feist's AREA-WIDE concept, Feist's approach was to put the areas covered by those telephone directories together into one Northwest Kansas AREA-WIDE directory. Feist's Northwest Kansas AREA-WIDE Telephone Directory combines the entire fifteen county northwest Kansas trade area, including the area served by RTSC, into one combined directory. (Ex. K-1, J.A. 93). The AREA-WIDE directory is distributed free to consumers in northwest Kansas. Yellow page advertising sales finance the printing and distribution costs.

3. Request for Listings.

In order to publish an up to date telephone directory, Feist requested current white page listing information (name, address, and telephone number) from the various telephone companies serving the areas of northwest Kansas to be covered by the Feist AREA-WIDE directory. The telephone companies agreed, through license agreements to sell Feist a current list of their white page listings (name, address and telephone number) to be used by Feist in its directory.

Feist first requested such a license agreement from RTSC in April 1978. Feist explained that it wanted to establish an "AREA-WIDE" phone directory for northwest Kansas similar to the one it was publishing in southwest Kansas, and Feist furnished RTSC's directors with copies of its 1978 Southwest Kansas AREA-WIDE directory. (J.A. 55, 62, 73).

RTSC refused to enter into a license agreement with Feist. (J.A. 55, 62, 79). The other phone companies in northwest Kansas which Feist requested current listings from, did enter license agreements with Feist. (J.A. 73). [See Exhibit

K-1, J.A. 93, all colors except yellow (RTSC's area) executed licenses with Feist.]

4. Independent Verification Process.

Since RTSC refused to enter a license agreement for its current white page listings, Feist's only⁴ other feasible alternative was to utilize the older published RTSC telephone directory as a source of listing information (name, address, and telephone number) and update from it. Feist edited the RTSC white page listings and removed those listings that were not located in the geographic area covered by the Feist AREA-WIDE directory. Once this was done, Feist sorted the remaining listings by town and alphabetized them.

Feist then sent the various lists, broken down by towns, to verifiers it had hired in each of the towns that Feist's directory would cover, with instructions to telephone each of the listings and to attempt to verify each name, address, and telephone number. After each verifier had carried out his or her instructions, the lists were sent back to Feist with pencilled in notes, reflecting deletions, additions, and other changes to be added to Feist's AREA-WIDE Directory. (J.A. 52-53).

To further update the RTSC directory listings, Feist also used post office mail verifications of subscribers (J.A. 52) and a numerical sequence phone sheet for verifiers to facilitate the finding of new (i.e., updated) telephone listings (J.A. 52). [The various documentary evidence was set forth for the trial judge in Exhibits C through N introduced and explained in the Transcript at J.A. 74-77.]

5. Comparison of Directories.

After this action was filed, Feist prepared a comparison of its 1983 Northwest Kansas AREA-WIDE telephone directory and RTSC's 1982-83 directory (the directories at issue in this case). Feist compared listings from those exchanges of RTSC's which Feist's directory covers as they appear, if at all,

4. Omitting the RTSC listings from Feist's Northwest Kansas AREA-Wide directory would have left an enormous "gap" in the center of the area. See Ex. K-1, J.A. 93, yellow area.

in RTSC's directory, and, if at all, in Feist's directory. (J.A. 54. The exhibit is Exhibit P).

Feist's 1983 Northwest Kansas AREA-WIDE telephone directory contains 46,878 alphabetized white page listings of telephone subscribers in all of northwest Kansas. RTSC's 1982-83 telephone directory contains approximately 7,700 alphabetized white page listings of telephone subscribers in RTSC's exchanges. Only 4,935 of these RTSC listings are from exchanges which are included in Feist's directory. Of the 4,935 overlapping listings 3,626 differ. There are also 164 new listings contained in Feist's directory which are not in RTSC's. Other differences include deleted outdated listings, spelling or other obvious errors, mailing address changes or additions, style, and format differences (J.A. 54, 77-78). The RTSC listings are not set out separately, but instead are interfiled at their appropriate alphabetical location with the other 40,000+ listings in the Feist AREA-WIDE directory.

RTSC inserted 28 fictitious listings in its 1980-81 directory, its 1981-82 directory and its 1982-83 directory. None of them appeared in the earlier Feist 1980, 1981 or 1982 Northwest Kansas AREA-WIDE telephone directories. Four of the 28 fictitious listings were accidentally included in Feist's 1983 Northwest Kansas AREA-WIDE telephone directory (J.A. 53), after earlier drafts of the directory had weeded them out (J.A. 82).

6. Feasibility of Independent Canvass.

In preparing to publish its AREA-WIDE directory, Feist did not attempt a door to door canvass of all the residents of the fifteen counties in northwest Kansas covered by the Feist directory. (Ex. K-1). An independent canvass is neither economically nor physically possible. (J.A. 65-68, 71-72). There is simply no way to canvass over 46,000 telephone subscribers spread over 16,000 square miles in rural northwest Kansas and do it in a timely fashion. Without a license agreement for updated listings or access to RTSC's latest directory of white page listing information, Feist could not economically or feasibly compile its AREA-WIDE directory (J.A. 54-55).

In preparing to publish its directory, RTSC does not do a door to door canvass of its telephone service area either. (J.A. 89). Nor does it do any phone dialing survey before compiling its directory. (J.A. 90). Rather, it receives information automatically from subscribers. Phone customers come to RTSC for telephone service and "make application" to RTSC by providing their names and addresses. (J.A. 89). RTSC then assigns them a number and updates its records kept in computer data base form. That information becomes a white page listing—name, address, and telephone number—which RTSC maintains to identify the subscriber.

B. Proceedings Below.

In the proceedings below, Feist argued that the names, addresses, and phone numbers in RTSC's directory were not copyrightable subject matter, that Feist's use of that data as a starting point in preparing its own directory did not amount to copyright infringement; that there was no "outright" copying of RTSC's telephone directory and the presence of four "fictitious" listings from over 4,900 total listings was de minimis; that there was no "substantial similarity" between the two directories; that Feist's use of RTSC's telephone directory was a "fair use"; and that RTSC's refusal to license those white page listings after a reasonable request by Feist was an anti-trust violation amounting to "copyright misuse" preventing enforcement of its copyright.

RTSC argued that telephone directories had always been held to be copyrightable; that Feist could not use the RTSC directory in any way until Feist had first conducted its own independent canvass; and that "copyright misuse" had never been applied by the courts.

The district court held in favor of RTSC on the copyright claim. The court rejected Feist's argument that the white page listing information used by Feist was not copyrightable subject matter, and held that Feist's "fair use" defense was inapplicable since Feist had not first conducted its own independent canvass. The court also rejected the "misuse" defense.

The Tenth Circuit, in an unpublished opinion, affirmed for "substantially the reasons given by the district court."

SUMMARY OF ARGUMENT

A. Congress has statutorily defined the nature of copyright in compilations. RTSC's telephone directory white pages listings do not meet the defined statutory requirements for copyright protection. The court below ignored the statute and upheld copyright on the basis of an extra-statutory and outmoded theory of copyright as protecting labor.

The 1976 Copyright Act represents the culmination of a major legislative re-examination of the nature and scope of copyright law. As part of that re-examination, Congress defined which works were subject to copyright protection, and the limits of protection on the works it chose to protect. Compilations posed particularly difficult issues because of past confusion over protection for the compilation as a whole, and the lack of protection for the individual data that form the content of the compilation. In order to clarify the correct basis for and scope of protection in compilations, Congress enacted two complementary provisions. The first, found in section 101, provides a definition of "compilation":

A "compilation" is a work formed by the collection and assembling of preexisting data *that* are selected, coordinated, or arranged in such a way *that* the resulting work as a whole constitutes an original work of authorship. 17 USC §101 (emphases added).

The emphases evidence Congress' intent that for a compilation to be protectable there are "three necessary *conjunctive* elements: (1) a collection and assembling of preexisting materials or data (2) that are then selected, coordinated, or arranged (3) into a work which by virtue of that selection, coordination, or arrangement may be said to be as a whole an

'original work of authorship'...This definition does not, however, encompass the mere collecting and assembling of data no matter how valuable the data may be." Patry, *Latman's The Copyright Law*, 63-64 (1986) ("Patry").

RTSC's telephone directory white pages listings do not contain all three conjunctive elements. The listings do not evidence any selectivity. The white pages listings take the entire universe of data, and indeed, RTSC is required to publish all the data as part of its telephone service franchise. The listings also do not evidence any original coordination or arrangement, since they are merely alphabetical.

RTSC may not claim copyright in the underlying data since these are facts, precluded from protection under 17 USC §102 (b), and because 17 USC §103 (b), which complements the definition of compilation in 17 USC §101 clearly states that copyright in a compilation does not extend to such data.

B. Even if RTSC's telephone directory white pages listings are copyrightable as a whole, Feist has not infringed any copyrightable interest in the work as a whole.

Section 103(b) of the Copyright Act provides:

The copyright in a compilation...extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material. The copyright in such work is independent of, and does not affect or enlarge the scope, duration, ownership, or subsistence of, any copyright protection in the preexisting material.

Assuming *arguendo* that RTSC's white pages telephone listings are copyrightable, this section makes clear that the only copyright interest RTSC can conceivably possess is its particular arrangement of those listings, since it is not the author of the names, addresses, and telephone numbers that comprise the listings. Feist has not copied that arrangement.

Indeed, Feist's white pages are substantially dissimilar from RTSC's. Feist's work is not, therefore, an infringement of RTSC's work. 1 M. & D. Nimmer, *Nimmer on Copyright*, §3.04 (1990) ("*Nimmer*").

C. Due to its intensely factual nature, RTSC's telephone directory white pages merit less protection than other directories. Use by Feist of selected individual elements from RTSC's work without a prior independent canvass does not violate the fair use analysis.

The fair use doctrine, codified in 17 USC §107, is an equitable rule of reason. Congress, has, however, set forth four statutory factors that must be considered in each case. The court below erected a *per se* bar to fair use. Under this *per se* rule, a compiler may not refer to earlier compilations before first creating his or her compilation. This rule is not applied to any other type of work, even unpublished biographies, and results in the curious result that published telephone directories have a greater scope of protection than any other type of work. The *per se* rule, moreover, is in direct conflict with the statute, since it permits courts to bypass examination of the use under the required four statutory factors.

Examining Feist's use under those factors, Feist's work should be considered a fair use. There is no real commercial market for the white pages, which RTSC would be required to publish even if it had no copyright in those listings. The real dispute is over the market for yellow pages advertisers.

ARGUMENT

A. Congress has statutorily defined the nature of copyright in compilations. RTSC's telephone directory of white page listings does not meet the defined statutory requirements for copyright protection.

The starting point of our analysis is *not* a string cite to the earlier telephone directory cases as was done by both courts below and by Respondent on brief. The correct starting point is the statute itself. Copyright is not a common law doctrine, it exists *only* by virtue of the statute.

This statutory authority is granted by the Constitutional grant to Congress of the power "to promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries" (U.S. Constitution, Art. I, §8, Cl.8); i.e., "writings" of "authors." This Court has specifically recognized this in *Sony Corp v. Universal City Studios*, 464 U.S. 417, 429 (1984) ("*Sony*");

As the text of the Constitution makes plain, it is Congress that has been assigned the task of defining the scope of the limited monopoly that should be granted to authors or to inventors in order to give the public appropriate access to their work product.

The 1976 Copyright Act represents "the culmination of a major legislative re-examination of copyright doctrine," *Harper & Row Pub., Inc. v. Nation Enterprises*, 471 U.S. 539, 522 (1985) ("*Harper & Row*"). The Act provides protection for "original works of authorship" [17 USC §102(a)], including compilations [17 USC §§101 and 103(a)]. The statute defines a compilation as:

[A] work formed by the *collection and assembling* of preexisting materials or of data that are *selected, coordinated, or arranged* in such a way that the resulting work *as a whole* constitutes an *original work of authorship*. (17 USC §101, emphases added).

The requirements are threefold: (1) the "collection and assembling," of data (2) exhibiting sufficient "selection, coordination, or arrangement," of the data (3) so that as a result of the selection, coordination, or arrangement, the compilation "as a whole," constitutes an "original work of authorship." (See *Patry*, at 64).

The decisions below apply copyright law in a manner inconsistent with this statutory language. The lower courts

impermissibly utilize state law concepts of unfair competition law to extend copyright protection to labor as labor rather than authorship.

Under the lower courts' approach (known as the "sweat of the brow" theory) the investment of labor and effort is sufficient to warrant copyright protection for a compilation. This view has also been adopted by the Seventh and Eighth Circuits. [See *Rockford Map Publishers, Inc. v. Directory Service Co.*, 768 F.2d 145 (7th Cir. 1985), *cert. denied*, 474 U.S. 1061 (1986); *Hutchinson Telephone Co. v. Fronteer Directory Co.*, 770 F.2d 128 (8th Cir. 1985); *United Telephone Co. of Missouri v. Johnson Publishing Co., Inc.*, 855 F.2d 604 (8th Cir. 1988).]

The test has superficial appeal since we presumably are an industrious nation favorably inclined to reward labor and effort. For compilations, the test has been stated by the Seventh Circuit in *Rockford Map*:

Everyone must do the same basic work, the same "industrious collection." "A subsequent compiler is bound to set about doing for himself what the first compiler has done." *Kelly v. Morris*, [1866] 1 Eq. 697, 701 (Wood, V.C.). The second compiler must assemble the material as if there had never been a first compilation; only then may the second compiler use the first as a check on error. (768 F.2d at 149).

However, this "sweat of the brow" theory has been rejected by the Second, Fifth, Ninth, and Eleventh Circuits. [See *Southern Bell Tel. & Tel. Co. v. Associated Tel. Dir. Publ.*, 756 F.2d 801, 809-10 (11th Cir. 1985); *Cooling Systems & Flexibles, Inc. v. Stuart Radiator, Inc.*, 777 F.2d 485, 491 (9th Cir. 1985); *Financial Information, Inc. v. Moody's Investors Service, Inc.*, 751 F.2d 501, 506 (2nd Cir. 1984); *Eckes v. Card Prices Update*, 736 F.2d 859, 862-63 (2nd Cir. 1984); *Miller v. Universal City Studios, Inc.*, 650 F.2d 1365, 1369-70 (5th Cir. 1981).] When the Ninth Circuit rejected its prior "sweat of the brow" test [*Leon v. Pacific Tel. & Tel. Co.*, 91 F.2d 484 (9th Cir. 1937) ("*Leon*")], it quoted with favor from the Second Circuit's decision in *Rosemont Enterprises, Inc. v. Random House, Inc.*, 366 F.2d 303 (2nd Cir. 1966):

We...cannot subscribe to the view that an author is absolutely precluded from saving time and effort by referring to and relying upon prior published material...It is just such wasted effort that the proscription against the copyright of ideas and facts, and to a lesser extent the privilege of fair use, are designed to protect. [*Worth v. Selchow & Righter*, 827 F.2d 569, 574 (9th Cir. 1987)].

Most scholars have also criticized the "sweat of the brow" theory: e.g., "The discovery of a fact, regardless of the quantum of labor and expense is simply not the work of an author." *Nimmer*, §2.11[E]; "extending copyright protection to labor *qua* labor would violate the Constitution," *Patry*, p. 64. [See *Patterson & Joyce, Monopolizing the Law: The Scope of Copyright Protection for Law Reports and Statutory Compilations*, 26 UCLA L. Rev. 719, at 772 fn. 184 (1989) for further additional authorities. ("*Patterson & Joyce*").]

If the labor of the "collection and assembling of...data" itself were copyrightable, there would be a period after "data" in 17 USC §101. There is not. "Selection, coordination, or arrangement" to make the directory "as a whole" an "original work of authorship" is also required by the statute.

In essence, by requiring only the collection and assembling of data, the lower courts are granting indirect protection to facts, contrary to 17 USC §§102(b) and 103(b). This result has been criticized by the Second Circuit in *Financial Information, Inc. v. Moody's Investors Service, Inc.*, 808 F.2d 204, 207 (2nd Cir. 1986), *cert. denied*, 484 U.S. 820 (1987):

The statute thus requires that copyrightability not be determined by the amount of effort the author expends, but rather by the nature of the final result. To grant copyright protection based merely on the "sweat of the author's brow" would risk putting large areas of factual research material off limits and threaten the public's unrestrained access to information⁵.

5. RTSC has conceded that the names and addresses are uncopyrightable facts. R. Doc. 21, p. 11. "It should be made clear here that plaintiff's copyright does not extend to the individual names and addresses listed in its telephone directory, but rather to the compilation of the same."

See also *Miller v. Universal City Studios, Inc.*, 650 F.2d 1365, 1372 (5th Cir. 1981) ("*Miller*") noting that the distinction between facts and expression of facts "cannot be maintained if research is held copyrightable."

Under the appropriate standard (... "selection, coordination, or arrangement" to constitute "as a whole" an "original work of authorship,"...) nothing Feist used from RTSC's directory is copyrightable. The RTSC white page listings data used by Feist involve no selection, coordination, or arrangement by RTSC within the meaning of the statute. It is information which RTSC automatically receives from all telephone subscribers when they sign up for or request changes in telephone service and when RTSC performs the clerical task of assigning a number. (J.A. 89). RTSC publishes *all* subscriber listings. The inclusion of the entire universe of data is certainly not "selection" within the meaning of the statute. The mere alphabetical listing also fails the "coordination or arrangement" prong. The additional procedures required for RTSC's directory, such as art work, layout, forward text, and all yellow page information are not at issue here and were not copied or used in any manner by Feist. RTSC's white page listings themselves are simply not copyrightable subject matter.

B. Even if RTSC's telephone directory white pages listings are copyrightable as a whole, Feist has not infringed any copyrightable interest in the work as a whole.

A second statutory requirement complements the definition of a compilation in §101, 17 USC §103(b):

The copyright in a compilation...extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material...[17 USC §103(b)].

What is protected, therefore, is not the facts or data contained in the work, but rather only the "resulting work as

a whole" if it qualifies as an "original work of an author" under §101. The preexisting data, however, remains available to later compilers under §103(b).

Section 103(b) thus limits the scope of copyright protection for compilations to new original contributions by the author.⁶

The decisions below also apply copyright law in a manner inconsistent with this statutory language. Again, the lower courts impermissibly incorporate into the federal copyright infringement analysis state law concepts of unfair competition law and allow the copyright owner to prevent reasonable use of preexisting factual data. The effect of this "sweat of the brow" theory is to extend copyright protection to preexisting facts in direct violation of §§103(b) and 102 (b), again by focusing on industriousness and not authorship.

The decisions below go beyond the statutory grant contained in the copyright statute. For fact compilations, §103(b) requires that pre-existing facts (i.e., name, address, and number) be available to subsequent compilers in order to promote the public's access to information.

This is the point stressed by the late Professor Nimmer in discussing the line of cases commencing with *Leon*:

The desire of the Courts in the line of cases above described [*Leon v. Pacific Tel.*] to protect the industriousness of the researcher is both understandable and in a sense commendable. It is submitted, however, that *these cases are incorrect in that they fail to apply the standard of originality as it is understood in the law of copyright*... Protection for the fruits of such research may in certain circumstances be available under a theory of unfair competition. But to accord copyright protection on this basis alone distorts basic copyright principles in that *it creates a monopoly in public domain materials* without the necessary justification of protecting and encouraging the creation of "writings" by "authors"... It is to be hoped that the courts

6. The same rule applies to derivative works as was set forth by this Court earlier this year in *Stewart v. Abend*, 495 U.S._____, 109 L.Ed.2d 184, 110 S. Ct. 1750 (1990).

in construing Section 103(b) of the current Copyright Act will avoid the error of the above line of cases. [*Nimmer*, §3.04, (1990) footnotes omitted; emphases added.]

Nimmer is not the only scholar to criticize *Leon*. See Gorman, *Fact or Fancy? The Implications for Copyright*, 29 J. Copyright Soc. 560, 573 (1982) ("Gorman"); *Patterson & Joyce*, at 775. The Ninth Circuit itself has rejected its *Leon* reasoning, "to the extent that *Leon* suggests that research or labor is protectable." *Worth v. Selchow & Righter Co.*, 827 F.2d 569, 573 (9th Cir. 1987).

The statute, and this Court (*Harper & Row*, at 548) also recognize that even where a collection of facts meets the standards of originality and authorship necessary to constitute a copyrightable compilation, the facts themselves contained in the work remain in the public domain, free for others to copy. [17 USC §102; *Miller v. Universal City Studios, Inc.*, *supra*.]

This is a fundamental principle of copyright law that facts cannot be copyrighted. *Nimmer*, §2.11[A]:

[N]o author may copyright facts or ideas. §102.

The copyright is limited to those aspects of the work—termed "expression"—that display the stamp of the author's originality. *Harper & Row*, at 547.

Copyright is limited to works of authorship, of the author's creation. While facts may be discovered by an author, he may not claim that they are original with him. "Thus, since facts do not owe their origin to any individual, *they may not be copyrighted and are part of the public domain available to every person.*" [*Miller, supra*, 650 F.2d at 1368.]

The Committee Reports to the 1976 Act make the same point:

Copyright does not preclude others from using the ideas or information revealed by the author's work. It pertains to the literary, musical, graphic or artistic form in which the author expressed his intellectual concepts. S. Rep. No. 94-473, p. 54

(1975) and H.R. Rep. No. 94-1476, pp. 56-57. See also *Harper & Row, supra*, 471 U.S. at 548.

The Eleventh Circuit has explained specifically with regard to telephone directories that:

[A] telephone directory compilation whose components are comprised exclusively of information in the public domain can be protected by copyright laws only as to the selection and arrangement of the compilation, the work as a whole, and not as to the pre-existing information. [*Southern Bell Tel. & Tel. Co. v. Associated Tel. Directory Publishers*, 756 F.2d 801, 810 (11th Cir. 1985) ("*Southern Bell Tel.*")]

Accordingly, "the mere use of the information contained in the directory without a substantial copying of the format does not constitute infringement..." (*Southern Bell Tel., supra*, 756 F.2d at 810, citing *Miller, supra*.)⁷

As stated by this Court:

Use of copyrighted material not in conflict with a right secured by [the statute], however, no matter how widespread, is not copyright infringement. The fundamental [is] that "use" is not the same thing as "infringement," that use short of infringement is to be encouraged... *Teleprompter Corp. v. Columbia Broadcasting System, Inc.*, 415 US 394, 398 n. 2 (1974).

See also *Sony, supra*, at 447:

Even unauthorized uses of a copyrighted work are not necessarily infringing. An unlicensed use of the copyright is not an infringement unless it conflicts with one of the specific exclusive rights conferred by the copyright statute.

The scope of protection for a compilation is statutorily confined to the *new* elements of original authorship contributed by the compiler; it does not extend to "preexisting"

7. The defendant in *Southern Bell Tel.* was held liable because, unlike *Feist*, it had copied *verbatim* entire sections of plaintiff's work, including art work and layout from the yellow pages, and had used photocopies of plaintiff's work to mislead potential customers in sale solicitations. See *Southern Bell Tel.* at pages 804, 811.

material [17 USC §103(b)]. Copying from a copyrighted work of material that is not itself copyrightable, no matter how extensive, does not constitute an infringement. (*Nimmer*, §§8.01[D], 13.03[B][2][b]; *Patry*, 197).

The name, address, and telephone number of an individual as it appears in the RTSC telephone directory is a fact, it is not a protected expression of copyrightable subject matter, and therefore, its use cannot constitute infringement as a matter of law. The only copyrightable interest RTSC can conceivably possess in the white page listings is in the exact arrangement of those listings "as a whole." Feist did not copy the exact arrangement of the RTSC pages or RTSC's overall compilation. Feist's overall compilation, the listings themselves and the overall selection, coordination, and arrangement of listings for the entire northwest Kansas area substantially differ from RTSC's. Feist's work is not, therefore, an infringement of RTSC's work.

C. Due to its intensely factual nature, RTSC's telephone directory white pages merit less protection than other directories. Use by Feist of selected individual elements from RTSC's work without a prior independent canvass does not violate the fair use analysis .....	22

When tested against the statutory requirements of §§101 and 103(b) [see Arguments A and B, *supra*] Feist's position prevails. Due to its intensely factual nature, RTSC's telephone directory white pages merit the thinnest of protection (if any) as compared to other compilations because of what it is—an alphabetical list of phone subscribers. Even if there were any "original" contribution, it would be minimal.

Because of RTSC's monopoly position as the local telephone service company, RTSC obtains names and addresses provided by subscribers in order to obtain telephone service. RTSC arbitrarily assigns telephone numbers to those subscribers based on their area code, exchange, and a random clerical assignment procedure. This unique control by RTSC

of the phone subscriber information (name, address, and telephone number) which it gets not by "sweat of the brow," but as a by-product of its telephone service monopoly further distinguishes this case from other general directory cases, whether protection is based on "selection, coordination, or arrangement," or "sweat of the brow."

This practical unavailability from any other source and the intensely factual nature of a telephone directory call for further consideration of Feist's "fair use" defense⁸ in order to properly instruct the courts below.

The approach taken by the courts below denying fair use is inexorably intertwined with their theory on copyrightability. Under the "sweat of the brow" theory, *any* appropriation is deemed "unfair." This approach is contrary to the statute, and has been strongly criticized by commentators. See *Patry, The Fair Use Privilege in Copyright Law*, 475-479 (1985).

The opinions below erect a *per se* bar to fair use. Under this absolute rule, and as argued by respondent in brief, a compiler may not refer to earlier compilations before first creating his or her own compilation by an independent canvass.

In actual practice, neither RTSC nor anyone else gathers telephone subscriber information through independent canvasses. No one walks the streets, knocking on doors; no one drives the rural country roads calling on farmers; no one searches out mobile telephones by an independent canvass; and no one can. There is simply no way to canvass over 46,000 telephone subscribers spread over 16,000 square miles in rural northwest Kansas (J.A. 65-67, 71-72, 89-90.)

Fair use does not require a prior independent canvass as the lower courts held. The fair use doctrine does not even apply unless what was used was copyrightable [See Argument A, *supra*] and the use itself was an infringement [See Argument B, *supra*]. Even if we assume *arguendo* that the facts used were copyrightable and the use was an infringement,

8. Although "fair use" was not argued in the cert petition or question presented, it was argued by RTSC in its brief in opposition and, therefore, remains part of the case. The court below also intertwines fair use into the "sweat of the brow" theory with its prior independent canvass requirement.

the use was still fair use when analyzed in terms of the statute and not in terms of the extra-statutory per se independent canvassing requirement.

The statutory factors to consider are:

1. The Nature and Purpose of the Use.

While every commercial use of a copyrighted work is presumptively unfair, *Sony Corp.*, at 451, this presumption is rebuttable. (*Nimmer* §13.05[A]). The real dispute in this case is not over commercial use of the white pages, but rather over yellow page advertisers. "The commercial nature of a use is a matter of degree, not an absolute..." *Maxtone Graham v. Burtchell*, 803 F.2d 1253, 1262 (2nd Cir. 1986), *cert. denied*, 481 U.S. 1059 (1987).

2. The Nature of the Copyrighted Work.

As a fact compilation, RTSC's directory has the thinnest copyright protection (if any), with the result that it may be used more freely than other types of works. The practical unavailability of this factual material in question (listing information) from any other source is another consideration favoring fair use. See S. Rep. No. 94-473, 94th Cong., 1st Sess., p. 64 (1975).

An appropriate illustration of this factor of the "fair use" doctrine is *New York Times Co. v. Roxbury Data Interface, Inc.*, 434 F.Supp. 217 (D. N.J. 1977), where the court noted specifically that plaintiff's publication was more in the nature of a collection of facts rather than a creative or imaginative work:

Since the [plaintiff's publication] is a work more of diligence than of originality or inventiveness, defendants have greater license to use portions of the [plaintiff's publication] under the fair use doctrine than they would have if a creative work had been involved. (434 F.Supp. at 221).

See also *Dow Jones & Co. v. Board of Trade*, 546 F.Supp. 113 (S.D. N.Y. 1982) at 120 ("...compilations of factual material...should be most conducive to fair use. Authors of compilations, therefore, must be held to grant broader li-

censes for subsequent use than persons whose work is truly creative.")

Similarly here, RTSC's directory is not a creative one of originality or inventiveness. RTSC simply lists the telephone numbers it has assigned to customers.

3. The Amount and Substantiality of the Use.

Feist has not taken any protected material from RTSC's directory. Even if this Court determines that some portion of the material used is subject to copyright, Feist's use would not exceed that permitted under this factor for fact intensive works such as RTSC's. Feist did not copy RTSC's selection, coordination, or arrangement.

In gauging the amount and substantiality of the taking, it is also well established that the need of the defendant to use the plaintiff's material strongly militates in favor of a finding of fair use. See *Rosemont Enterprises v. Random House, Inc.*, 366 F.2d 303, 307 (2nd Cir. 1966), *cert. denied*, 385 U.S. 1009 (1967). With RTSC's unique control of listing information, the need for Feist to have access to that information is evident.

4. Market Impact.

The fourth fair use factor is "undoubtedly the single most important element of fair use." *Harper & Row*, at 566. The market that must be looked to, though, is the market for the copyrighted material. There is no market for the white page listings, which are required to be produced as part of RTSC's telephone service franchise.⁹ The absence of copyright or a finding of fair use would not impair RTSC's market, nor would there be any disincentive to create the work. To the contrary, it is independent publishers such as Feist, who perform a valuable public service by compiling a directory for rural areas, who will be discouraged from creating those directories. As noted by the First Circuit in *Morrissey v.*

9. Feist did seek a license from RTSC for updated listings. One could argue that the price of the license constitutes a potential market. Of course, RTSC foreclosed that market by refusing to license.

Proctor & Gamble Co., 379 F.2d 675, 679 (1st Cir. 1967): "We cannot recognize copyright as a game of chess in which the public can be checkmated."

Feist's use of selected data from RTSC's white page listings did not harm the market for RTSC's white pages compilation.

CONCLUSION

Congress did not intend that you have to be the local phone company to produce a telephone directory. Feist had an idea for a better product for consumers. Feist brought those ideas and innovations [R.Tr., pp. 60-62; Ex. Y-1] to the consumers of northwest Kansas. That type of competition and innovation, by Feist and other independent entrepreneurs, should be encouraged by this Court, not eliminated under the lower courts' misguided and extra-statutory notions of unfair competition. Indeed, if the decisions below stand, they will prevent Feist from implementing its ideas and innovations and will effectively stifle exactly the creativity copyright law was designed to promote. The decisions below should be reversed and judgment entered for Feist.

Respectfully submitted,

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APPENDIX

**STATE CORPORATION COMMISSION
OF KANSAS**

DIRECTIVE

May 1, 1967

**SUBJECT: Issuance of
Telephone Directories**

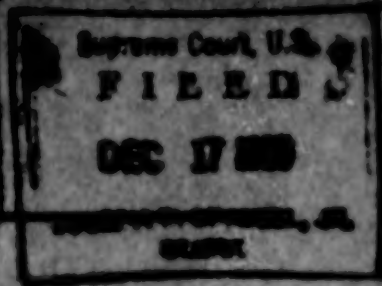
TO ALL TELEPHONE COMPANIES:

Commission Conference was held on April 27, 1967 and it was determined that all telephone companies operating in the State of Kansas issue at least annually a dated telephone directory.

Yours very truly,
STATE CORPORATION COMMISSION
/s/ Lloyd W. Shank
Lloyd W. Shank
DIRECTOR AND ACTING CHIEF ENGINEER

17

No. 89-1909



In The
Supreme Court of the United States
October Term, 1990

FEIST PUBLICATIONS, INC.,

Petitioner,

v.

RURAL TELEPHONE SERVICE COMPANY, INC.,

Respondent.

On Writ Of Certiorari To the United States Court Of
Appeals For The Tenth Circuit

BRIEF FOR THE RESPONDENT

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COCKLE LAW BOOK PRINTING CO. (800) 225-4944
OR CALL COLLECT (800) 343-3881

BEST AVAILABLE COPY

QUESTION PRESENTED

Does copyright law protect a compilation of listings in a telephone directory against a substantial copying by a competitor in the preparation of its directly competing directory.

LIST OF PARTIES AND RULE 29.1 LIST

There are no parties to this proceeding not revealed by the caption.

Rural Telephone Service Company, Inc. has no parent company. Rural Telephone Service Company, Inc. owns 100% of RTSC Communications, Inc. There are no other subsidiaries.

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No. 89-1909

In The
Supreme Court of the United States
October Term, 1990

FEIST PUBLICATIONS, INC.,

Petitioner,

v.

RURAL TELEPHONE SERVICE COMPANY, INC.,

Respondent.

On Writ Of Certiorari To the United States Court Of
Appeals For The Tenth Circuit

BRIEF FOR THE RESPONDENT

STATEMENT OF THE CASE

Respondent, Rural Telephone Service Company, Inc. ("Rural"), is a non-profit telephone company that provides telephone service in an eleven-county area in Kansas. Rural is a cooperative public utility owned by its subscribers which in 1983 numbered approximately 7700. Rural annually prepares a telephone directory and distributes that directory to its subscribers and to other interested persons. Each directory is published in compliance with the applicable copyright laws; the copyright is properly registered with the Copyright Office. The directories contain an alphabetical arrangement of listings¹

¹ A listing is a term of art referring to the names, addresses, and telephone numbers of subscribers for telephone service.

- the familiar telephone "white pages" - and a classified arrangement of listings for Rural's business subscribers arranged by business classification, as well as advertisements purchased by those listed businesses - the familiar telephone "yellow pages".

Petitioner, Feist Publications, Inc. ("Feist"), does not provide any telephone service, but is in the business of publishing and distributing telephone directories. Since 1978 it has published the "Northwest AREA-WIDE Telephone Directory" covering an area of Kansas that includes most of Rural's service area. Feist's directory contains "white pages and yellow pages similar to [Rural's] directory." Petition for a Writ of Certiorari to the United States Court of Appeal for the Tenth Circuit at 6a, *Feist Publications, Inc. v. Rural Tel. Serv. Co.*, No. 89-1909 (1989) ["Pet. App."]. Feist makes its profit by selling advertising for placement in its directory.

To obtain its listings, Feist annually purchased white pages listings from the various telephone companies serving the area covered by Feist's directory. Rural declined to enter into such an arrangement. As the district court explained, Feist then took the 1978 Rural directory and copied those listings for the areas to be covered by Feist's 1978 directory. *Id.* at 7a-8a.

Thereafter, Feist annually updated its 1978 directory by comparing the previous year's copied listings against current editions of Rural's directory. As changes, additions, and deletions to the listings were detected, Feist made those alterations and published further editions of its directory. As a part of its publishing process, Feist contacted some of the subscribers in Rural's directory to confirm the accuracy of the listing information copied from the Rural directory. *Id.* at 8a. This confirmation process is sometimes incorrectly referred to as a "verification" process.

Concerned that Feist was copying its directory and infringing its copyright, Rural inserted a number of fictitious listings into its 1982-1983 directory. In 1983 Feist again copied all of its listings from Rural's 1983 directory for the areas to be covered by Feist's directory. *Id.* As a

consequence, Feist's resulting 1983 AREA-WIDE directory included several of the fictitious listings that were included in Rural's 1983 white page directory.

Feist accomplished the copying of Rural's directory by entering or keying² the names, addresses and corresponding telephone numbers of the listings it wanted to use into a computer database. Joint Appendix at 52, *Feist Publications, Inc. v. Rural Tel. Serv. Co.*, No. 89-1909 (1989) ["J.A."]. This copying consisted of keying 4,935 of the 7,700 listings in Rural's directory into Feist's computer database. That computer database was then used by Feist to print paper copies of the copied compilation of Rural listings. Next, Feist sorted that information; first by city name, and then by subscriber name. *Id.* at 38, 52. This sorted information, which contained the copied subscribers' names and addresses as coordinated with the subscriber's assigned telephone numbers, was then printed on paper in a report format. *Id.* at 52. Feist then confirmed the accuracy of the copied listing information by contacting some of Rural's subscribers and added street addresses to those listings when only city addresses were present.

Following these steps, the computer database was used to publish Feist's 1983 directory. The vast majority of subscriber names, addresses, and corresponding telephone numbers were copied identically from Rural's directory into Feist's directory. Although Feist added some information to the listings copied from Rural's directory, 3,859 or 78% of the copied listings appeared unchanged in the Feist directory.

In sum, Feist made no effort to collect names, addresses, or telephone numbers from Rural's customers

² "Keying" is a term often used in the industry to mean typing information into a computer. It is a term which is left over from the days when data was entered into computers by keypunching data cards.

or from other sources prior to Feist's copying of that information from Rural's 1982-83 directory. Instead, Feist chose the expedient of merely copying the desired information from Rural's directory.

Rural then brought suit alleging that Feist had violated Rural's copyright in its 1982-1983 directory by copying a substantial portion of its compilation of white pages listings.³ The district court found for Rural noting that "[c]ourts have consistently held that telephone directories are copyrightable" under 17 U.S.C. §§ 102 and 103. Pet. App. at 9a. The court concluded that the evidence clearly established that Feist copied Rural's directory observing that "one of [Feist's] owners . . . admitted in his deposition that the plaintiff's 1982-1983 directory was extensively used to prepare a portion of his company's directory." *Id.* at 11a. The court also concluded that Feist's copying of the fictitious listings "naturally presents strong evidence of copying and confirms the admission by the defendant that it extensively used plaintiff's directory." *Id.* at 12a. Finally, the court rejected Feist's assertion of a fair use defense under 17 U.S.C. § 107, pointing to "[t]he uncontroverted evidence before the court . . . that the defendant extensively used the plaintiff's directory without first conducting an independent canvass." *Id.* at 13a-14a.

³ Feist asserted a counterclaim that Rural's refusal to license its white pages listings violated the antitrust laws. The district court denied Rural's request for summary judgment on that antitrust claim. Pet. App. 15a. In addition, the district court rejected Feist's contention that a copyright holder's violation of the antitrust laws may be asserted as a defense in a copyright infringement action. *Id.* at 14a. That holding was affirmed on appeal. *Id.* at 3a. This Court limited the grant of certiorari to exclude consideration of Feist's antitrust arguments. J.A. at 101. The district court subsequently ruled for Feist in the antitrust action. *Rural Tel. Serv. Co. v. Feist Publications, Inc.*, 737 F. Supp. 610 (D. Kan. 1990). Rural's appeal of that ruling is pending.

The court of appeals affirmed the district court decision finding the Rural directory to be properly copyrighted and the copying of thousands of listings therefrom by Feist to be copyright infringement. *Id.* at 1a-4a. Furthermore, the Tenth Circuit found that the copying by Feist was neither *de minimis* nor fair use and therefore was a violation of the copyright laws.

SUMMARY OF ARGUMENT

A. A COMPILATION OF NAMES, ADDRESSES AND TELEPHONE NUMBERS CONSTITUTES COPYRIGHTABLE SUBJECT MATTER

Feist's principle contention – that white pages directories are not subject to copyright protection – is inconsistent with the language of the Copyright Act. Section 102(a) provides copyright protection for all "literary works," a category expressly intended to include directories. Further, Section 103(a) provides that the "subject matter of copyright as specified in Section 102 includes compilations." The term "compilation" in turn is defined in Section 101 as "a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship." 17 U.S.C. §§ 101-103 (1976). Clearly, a telephone directory satisfies the requirements for such a compilation of material. A telephone directory also plainly satisfies the standard of "originality" specified by Congress and recognized by this Court as the prerequisite for copyright protection because the author independently collected, assembled, selected, coordinated, or arranged preexisting individual listing information into a directory, as opposed to copying that material from another source.

There is nothing new in this conclusion. Prior to enactment of the Act, both this Court and lower courts have consistently held directories subject to copyright protection. *Bleistein v. Donaldson Lithographing Co.*, 188

U.S. 239 (1903); *United Tel. Co. v. Johnson Publishing Co.*, 671 F. Supp. 1514 (W.D. Mo. 1987), *aff'd*, 855 F.2d 604 (8th Cir. 1988); *Schroeder v. William Morrow & Co.*, 566 F.2d 3 (7th Cir. 1977); *Leon v. Pacific Tel. & Tel. Co.*, 91 F.2d 484 (9th Cir. 1937). Those decisions have special relevance here, for Congress indicated when it enacted the Copyright Act, that it meant to endorse the then-existing standard of originality – the standard that determines the copyrightability of compilations.

In the years prior to enactment of the 1976 Copyright Act, the courts repeatedly and expressly rejected arguments by infringers that substantial appropriation of the material compiled in a copyrighted directory is permissible so long as the copier engages in the simple expedient of rearranging that material. Those decisions were cited with approval in the background studies commissioned by Congress as a prelude to work on the Act; and they were cited with approval to Congress in hearings leading to enactment of the 1976 Act and by an influential commission created by Congress to recommend copyright legislation relating to computers and photocopiers.

With this background, Congress plainly understood the directory compiler's original contribution to be his collection and assembly of materials that are selected, coordinated, or arranged into a useful form. Someone who appropriates a substantial portion of the resulting compilation accordingly infringes the compiler's copyright, even if the copier rearranges or does not copy the arrangement of the constituent items of material. It bears emphasis that the Copyright Act does not confer copyright protection on individual facts. Anyone is free to gather the same preexisting facts for themselves and publish their own independently-created compilation. However, the appropriation of a substantial portion of a compilation of facts plainly appropriates, along with those facts, the author's original contribution in compiling those facts.

In contrast, Feist's focus on format or arrangement would substantially eliminate copyright protection for compilations of facts. If the type of activity undertaken by Feist – the simple insertion of a substantial portion of the contents of Rural's alphabetical directory into Feist's larger alphabetical directory – is enough to avoid infringement, copyright protection for directories will be meaningless. That is especially apparent in the computer age, when information may be fed into a database and entirely rearranged with a few keystrokes. Such a result would destroy the economic incentives that now underlie the creation of directories, an outcome that is fundamentally inconsistent with the basic policy of the Act – to encourage the production of useful works.

B. THE SCOPE OF COPYRIGHT PROTECTION EXTENDS TO THE COMPILATION OF MATERIAL IN A DIRECTORY

Although Feist concedes the copying of a substantial number of listings from Rural's directory, Feist contends that those individual listings are not subject to copyright protection. Rural, however, has never claimed copyright protection for individual listings; it seeks to protect only its original contribution – its compilation of listings which results from collection and assembly, and selection, coordination or arrangement of individual facts.

Feist contends that the scope of copyright protection for compilations extends only to the precise arrangement of the preexisting material. This contention cannot be reconciled with prior judicial interpretations, or the history and purpose of the Copyright Act of 1976. Prior to the 1976 Act, several courts implicitly addressed and rejected the arguments raised here by Feist. Those courts held that a substantial copying of listings from a compilation constituted infringement even though the alleged infringer either rearranged, or did not copy the arrangement of, the copied listings or added new material to the

listings – precisely the type of activity that Feist claims excuses its copying.

The legislative history of the Copyright Act of 1976 provides direct evidence of congressional approval of the holdings in these cases. In particular, these cases were cited with approval to both Houses of Congress during hearings leading to enactment of the Copyright Act. Furthermore, a commission established by Congress in 1974 to recommend copyright legislation relating to computers and photocopiers relied on these cases for the proposition that the unauthorized appropriation of data in a computerized database constituted copyright infringement. Because the information in such databases cannot meaningfully be said to have any arrangement, this conclusion necessarily rests on the proposition that the selection of data in a database is protected. This Commission's report was expressly accepted by Congress. In like fashion, unauthorized appropriation of the selection of listings in a directory constitutes infringement.

Copyright protection of Rural's compilation of listings also is fully supported by the policies underlying the Copyright Act. This Court has explained repeatedly that "[t]he rights conferred by copyright are designed to assure contributors to the store of knowledge a fair return for their labor . . ." *Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 546 (1985). These considerations apply with special force here, for the incentives that underlie production of directories are almost entirely economic. Preserving this incentive plainly requires protection of a directory compilation against substantial copying. If the scope of copyright protection is focused exclusively on the format or arrangement of the compilation, as suggested by Feist, the economic incentives underlying the copyright laws are largely swept away.

C. FEIST'S SUBSTANTIAL COPYING OF RURAL'S DIRECTORY FOR COMMERCIAL PURPOSES DOES NOT CONSTITUTE FAIR USE

Feist's final argument is that its copying of Rural's directory was justified under the fair use doctrine. The

Court's grant of certiorari did not include a fair use question as this argument was not raised in the petition for certiorari. This case does not constitute an appropriate vehicle for exploring the highly factual inquiry required by the fair use doctrine. Nor is there a need for further articulation of the doctrine in light of the Court's recent decisions in *Harper & Row* and *Sony Corp. of America v. Universal City Studios, Inc.*, 464 U.S. 417 (1984).

On the merits, Feist incorrectly argues that the district court established a *per se* bar to the application of the doctrine. The court did not use the term *per se*; rather, it applied a widely used legal rule that the fair use defense is generally not available when a copyright infringer begins by copying a substantial portion of a compilation. Such a result is also fully justified by an examination of the statutory fair use factors. Here, Feist's use was totally commercial, and if that use is permitted, it would have a serious negative impact on the potential market for or value of the copyrighted work as well as its derivative works.

ARGUMENT

A. A COMPILATION OF NAMES, ADDRESSES AND TELEPHONE NUMBERS CONSTITUTES COPYRIGHTABLE SUBJECT MATTER

The basic principles that control this case are not in dispute. Under the Copyright Act of 1976 (the "Act" or "Copyright Act"), 17 U.S.C. § 101 *et seq.*, a copyright may be obtained in "original works of authorship." 17 U.S.C. § 102(a) (1976). The elements of that standard are well settled. As this Court explained long ago, an "author" simply is one "to whom anything owes its origin; originator, maker." *Burrow-Giles Lithographic Co. v. Sarony*, 111 U.S. 53, 58 (1884) (citation omitted). See *Goldstein v. California*, 412 U.S. 546, 561 (1973). The requisite originality is equally basic; it "does not include requirements of novelty, ingenuity, or esthetic merit." H.R. Rep.

No. 1476, 94th Cong., 2d Sess. 51 (1976). See S. Rep. No. 473, 94th Cong., 1st Sess. 50 (1975); *Mazer v. Stein*, 347 U.S. 201, 218 (1954). Instead, any contribution by the author that "is more than merely trivial" will establish entitlement to copyright protection. 1 M. Nimmer & D. Nimmer, *Nimmer on Copyright* § 2.01[B] at 2-11 (1990); *Weissmann v. Freeman*, 868 F.2d 1313, 1321 (2d Cir. 1989).

Once a copyright is obtained, the Act grants the author the exclusive right to reproduce the copyrighted work, or prepare derivative works based upon the copyrighted work (17 U.S.C. § 106(1), (2) (1976)), although in some circumstances the copying of a portion of the work by other parties will be permitted as fair use. 17 U.S.C. § 107 (1976). In the absence of such a fair use defense, "[a]nyone who violates any of the exclusive rights of the copyright owner . . . is an infringer of the copyright." 17 U.S.C. § 501(a) (1976).

"[R]educed to most fundamental terms, there are only two elements necessary to the plaintiff's case in an infringement action: ownership of the copyright by the plaintiff and copying by the defendant." 3 M. Nimmer & D. Nimmer, *supra*, § 13.01 at 13-4 (footnotes omitted). Here, these principles must be applied to Feist's conceded copying of two-thirds of Rural's directory in the process of preparing its own competing directory. As both courts below recognized and held, Feist's action plainly amounted to copyright infringement.

Feist's principal contention is that Rural's "white page listings themselves are simply not copyrightable subject matter." Brief for Petitioner at 18, *Feist Publications, Inc. v. Rural Tel. Serv. Co.*, No. 89-1909 (1989) ["Pet. Br."]. It is difficult to believe that Feist seriously advances this contention; Feist conceded in its petition for writ of certiorari that "directories are copyrightable under the law." Indeed, Feist copyrights its own directories. Feist explained that:

[t]he copyrightability of telephone directories as a whole is not the issue of this case. Feist agrees

that directories are copyrightable under the law. Feist copyrights its directories and if a third party copied Feist's directory compilation with no independent verification or other selection or rearrangement, that copying should be enjoined.

Pet. App. at 9.⁴ Despite this concession, Feist devotes a substantial portion of its brief to the issue of the copyrightability of a directory. In fact, Feist's contentions on this point would, in effect, deny any meaningful protection to directories. Nevertheless, as will be shown below, directories are clearly copyrightable subject matter under the 1976 Copyright Act and are entitled to the full range of protection provided by that Act.

1. Directories Were Recognized As Constituting Copyrightable Subject Matter Prior To The Enactment Of The Copyright Act of 1976

Prior to enactment of the Copyright Act of 1909, ch. 320, 35 Stat. 1075, the predecessor to the Copyright Act of 1976, this Court had made clear that "directories and the like . . . may be copyrighted." *Bleistein v. Donaldson Lithographing Co.*, 188 U.S. 239, 250 (1903). The Court reaffirmed that view the year before enactment of the 1909 statute. *Dun v. Lumbermen's Credit Ass'n*, 209 U.S. 20 (1908).⁵ The lower courts, meanwhile, uniformly had

⁴ Furthermore, Rural obtained a certificate of registration from the Register of Copyrights (see Pet. App. 9a), which constitutes *prima facie* evidence both of the requisite originality of its directory and the copyrightability of the subject matter therein. See 17 U.S.C. § 410(a), (c) (1976); 3 M. Nimmer & D. Nimmer, *supra*, § 13.01[A] at 13-5 to 13-6. Feist has failed to produce any material evidence that would rebut that *prima facie* evidence.

⁵ *Dun* involved competing listings of credit ratings. The Court declined to enjoin production of the second work

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reached the same conclusion. See, e.g., *Sampson & Murdock Co. v. Seaver-Radford Co.*, 140 F. 539 (1st Cir. 1905); *Hartford Printing Co. v. Hartford Directory & Publishing Co.*, 146 F. 332 (C.C.D. Conn. 1906); *List Publishing Co. v. Keller*, 30 F. 772, 773 (C.C.S.D.N.Y. 1887).

Thus, the 1909 Act – which itself was “declaratory of existing law” (H.R. Rep. No. 2222, 60th Cong., 2d Sess. 10 (1909)) – specifically listed “[b]ooks, including composite and cyclopedic works, directories, gazetteers, and other compilations” among the classes of works that might be submitted for copyright registration. Act of Mar. 4, 1909, ch. 320, § 5(a), 35 Stat. 1075. The inclusion of directories in the 1909 Act was a considered decision; directories were listed at the request of the Association of American Directory Publishers, which was concerned that failure to mention directories might be understood by the courts as signaling an intent to exclude directories from coverage. See *Stenographic Report of Conference on Copyright*, 1st Sess. (1905) (statement of Mr. Bates), reprinted in *Legislative History of the 1909 Copyright Act* C10 (E. Brylawski & A. Goldman eds. 1976) (“1909 Legislative History”); *id.* (1st Sess. 1905) (statement of Mr. Putnam), reprinted in 1909 *Legislative History* D162; *id.* (2d Sess. 1906) (statement of Mr. Lucking), reprinted in 1909 *Legislative History* E17.

Not long after the 1909 enactment, Judge Learned Hand observed, in rejecting an argument that directories

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because most of its entries had been developed through the defendant’s use of a “long-continued, elaborate and comprehensive system of obtaining independent information.” 209 U.S. at 23 (citation omitted). The vast bulk of the defendant’s work therefore did not infringe the plaintiffs’ copyright. However, listings taken directly from the plaintiffs’ book were understood to infringe the copyright, and the plaintiffs therefore were “remitt[ed] . . . to a court of law to recover such damage as they might there prove that they had sustained.” *Id.* at 24.

should be excluded from copyright, “[t]hat was not . . . the law before the act of 1909 and it could not be even argued afterwards.” *Jeweler’s Circular Publishing Co. v. Keystone Publishing Co.*, 274 F. 932, 935 (S.D.N.Y. 1921) (citations omitted), *aff’d*, 281 F. 83 (2d Cir.), *cert. denied*, 259 U.S. 581 (1922). While that point occasionally was argued despite Judge Hand’s certitude, the courts uniformly held prior to enactment of the 1976 Act that directories⁶ – and telephone directories in particular⁷ – were copyrightable.

2. The Legislative History Of The Copyright Act Of 1976 Indicates An Intent By Congress To Adopt The Then-Existing Standard Of Copyrightability For Compilations

The 1976 Act – which is the Act this Court must construe – was the product of 15 years of legislative effort

⁶ See, e.g., *Schroeder v. William Morrow Co.*, 566 F.2d 3, 4-5 (7th Cir. 1977) (gardening directory); *Adventures in Good Eating v. Best Places To Eat*, 131 F.2d 809, 811 (7th Cir. 1942) (restaurant directory); *Edwards & Deutsch Lithographing Co. v. Boorman*, 15 F.2d 35 (7th Cir.) (interest and discount time teller), *cert. denied*, 273 U.S. 738 (1926); *American Travel & Hotel Directory Co. v. Gehring Publishing Co.*, 4 F.2d 415, 416 (S.D.N.Y. 1925) (hotel directory); *Produce Reporter Co. v. Fruit Produce Rating Agency*, 1 F.2d 58, 61-62 (N.D. Ill. 1924) (credit ratings); *Jeweler’s Circular*, 281 F. at 88 (jeweler’s trademark directory); *Chain Store Business Guide v. Wexler*, 79 F. Supp. 726 (S.D.N.Y. 1948) (store directories); *Sub-Contractors Register, Inc. v. McGovern’s Contractors & Builders Manual, Inc.*, 69 F. Supp. 507, 509-10 (S.D.N.Y. 1946) (directory of individuals and firms in the building trades).

⁷ See, e.g., *Leon v. Pacific Tel. & Tel. Co.*, 91 F.2d 484 (9th Cir. 1937) (white pages); *Cincinnati & Suburban Bell Tel. Co. v. Brown*, 44 F.2d 631 (S.D. Ohio 1930) (white pages); *Southwestern Bell Tel. Co. v. Nationwide Indep. Directory Serv., Inc.*, 371 F. Supp. 900 (W.D. Ark. 1974) (white and yellow pages); *Southern Bell Tel. & Tel. Co. v. Donnelley*, 35 F. Supp. 425 (S.D. Fla. 1940) (white and yellow pages) (default judgment).

aimed at revising the 1909 statute; many of its provisions were products of fierce disputes. See generally *Community for Creative Non-Violence v. Reid*, 109 S. Ct. 2166, 2174-2177 (1989); *Mills Music, Inc. v. Snyder*, 469 U.S. 153, 159-161 (1985). So far as the basic "original work of authorship" standard is concerned – the standard that determines the copyrightability both of compilations and of other literary works – Congress made clear its intent "to incorporate without change the standard of originality established by the courts under the [1909] copyright statute." H.R. Rep. No. 1476, *supra*, at 51 (emphasis added); S. Rep. No. 473, *supra*, at 50. See Ringer, *First Thoughts on the Copyright Act of 1976*, 13 Copyright 187, 189 (1977).*

In fact, throughout the revision process there was a remarkable consensus in favor of maintaining the existing standards governing basic copyrightability. The Register of Copyright's 1961 report to Congress, which initiated the revision process, proposed that the statute hinge copyrightability on "original creative authorship." *Copyright Law Revision: Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law*, 87th Cong., 1st Sess. 9 (Comm. Print 1961) ["Register Report"]. While this proposed standard was understood by the Register to

* While the 1976 Act dropped the express reference to directories that had appeared in Section 5(a) of the 1909 Act, that plainly did not signal an intent to remove directories from the scope of copyright. Section 5 of the 1909 Act had listed classifications of copyrightable materials "for the convenience of the copyright office." H.R. Rep. No. 2222, *supra*, at 10. In proposing revisions of the 1909 Act, however, the Register of Copyrights explained that Section 5 "is too rigid for the most effective accommodation to changing conditions and procedures." *Copyright Law Revision: Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law*, 87th Cong., 1st Sess. 11 (Comm. Print 1961). Section 5 and its classification scheme therefore was eliminated from the 1976 Act. See *id.* at 12.

allow the copyright "of all the classes of works now included" (*id.*), the proposal nevertheless drew opposition on the ground that "the word 'creative' might possibly be understood by courts as implying a higher requirement of creativity than is required at present." *Copyright Law Revision, Pt. 3: Preliminary Draft for Revised U.S. Copyright Law and Discussions and Comments on the Draft*, 88th Cong., 1st Sess. 40-41 (Comm. Print 1964) ["Preliminary Draft"] (remarks of Mr. Goldman). See *id.* at 65 (remarks of Ms. Ringer).

The Register accordingly dropped the word "creative" from the draft legislation that was proposed to Congress, offering in its place a basic provision that in substance is identical to existing Section 102(a). *Preliminary Draft* § 1(a) at 1. The Register also proposed a provision addressing the copyrightability of compilations that was identical in substance to existing Section 103 (see *Preliminary Draft* § 2, at 1-2), along with a definition of "compilation" that tracks the one in existing Section 101. See *Preliminary Draft* § 2(c), at 2. These provisions were introduced with trivial changes in both the House and the Senate, in forms that were virtually identical to existing Sections 101, 102(a), and 103. See H.R. 11497 and S. 3008, 88th Cong., 1st Sess. §§ 1, 2, 54 (1964), reprinted in *Copyright Law Revision, Pt. 5: 1964 Revision Bill With Discussions and Comments*, 89th Cong., 1st Sess. (Comm. Print 1965).

The bills were reintroduced in both Houses with minor changes the following year. H.R. 4347 and S. 1006, 89th Cong., 1st Sess. (1965). Commenting on these proposals, the Register again explained that "our intention here is to maintain the essential standard of originality without implying any further requirement of aesthetic value, novelty, or ingenuity." *Copyright Law Revision, Pt. 6: Supplementary Report of The Register of Copyrights on the General revision of the U.S. Copyright Law, 1965 Revision Bill*, 89th Cong., 1st Sess. 3 (Comm. Print 1965). When it reported out H.R. 4347 the next year, the House Judiciary

Committee echoed these remarks, explaining that Section 102 protects "all classes of works that are copyrightable under existing law." H.R. Rep. No. 2237, 89th Cong., 2d Sess. 32 (1966). See *id.* at 42-43. The Committee added, using language that both Houses were to repeat 10 years later, that copyrightable compilations are produced "from a process of selecting, bringing together, organizing and arranging previously existing material of all kinds, regardless of whether the individual items in the material have been subject to copyright." *Id.* at 57.

While disputes over other issues delayed passage of the Act for another decade, the language of the relevant portions of Sections 101, 102, and 103 remained unchanged. See A. Latman & J. Lightstone, *The Kaminstein Legislative History Project: A Compendium and Analytical Index Leading to the Copyright Act of 1976*, 29-55, 69-81 (1981).⁹ In effect, then, the provisions of the Act that are at issue here remained undisturbed – indeed, they remained largely undiscussed – from the time they were proposed by the Register in 1964 as a codification of then

⁹ The only exception to this was the addition of Section 102(b), which provides that copyright protection does not "extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery." That provision first appeared in a form virtually identical to the current statute, in a Senate bill introduced in 1969. S. 543, 91st Cong., 1st Sess. (1969). While there was no contemporaneous explanation for the addition of this language, it appears to have been prompted principally by concerns about the scope of copyright protection in computer programs. See S. Rep. No. 473, *supra*, at 54; H.R. Rep. No. 1476, *supra*, at 56-57. In any event, the provision "in no way enlarges or contracts the scope of copyright protection under the [1909 Act]. Its purpose is to restate, in the context of the new single Federal system of copyright, that the basic dichotomy between expression and idea remains unchanged." S. Rep. No. 473, *supra*, at 54; H.R. Rep. No. 1476, *supra*, at 57.

– existing law. At no point did anyone express any dissatisfaction either with the general originality standard or with the application of that standard to directories.

3. Judicial Decisions Have Interpreted The Copyright Act Of 1976 To Include Directories As Copyrightable Subject Matter

The language of the Act itself makes plain that directories are subject to copyright. Section 102(a)(1) provides that copyrightable works of authorship include "literary works," a category that, as defined in Section 101, reaches all works "expressed in words, numbers, or other verbal or numerical symbols or indicia." As both the House and Senate Committee Reports explain, "[t]he term 'literary works' does not connote any criterion of literary merit or qualitative value: it includes catalogs, *directories*, and similar factual, reference, or instructional works and compilations of data." H.R. Rep. No. 1476, *supra*, at 54; S. Rep. No. 473, *supra*, at 53 (emphasis added).

Moreover, Section 103(a) expressly provides that "[t]he subject matter of copyright as specified by Section 102 includes compilations and derivative works." The term "compilation" in turn is defined in Section 101 as "a work formed by the collection and assembling of preexisting materials or data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship." Again, both Houses of Congress explained that a copyrightable compilation may subsist in "previously existing material of all kinds, regardless of whether the individual items in the material have been or ever could have been subject to copyright." H.R. Rep. No. 1476, *supra*, at 57; S. Rep. No. 473, *supra*, at 55.

Rural's directory plainly is such a compilation. As required by the terms of the Act, Rural "collect[ed] and assembl[ed]" preexisting material – the individual names, addresses, telephone numbers, and other subscriber information that previously had existed only as disparate

and unconnected bits of material. Rural selected the inter-related material it wished to include in each listing and selected those listings it wished to include in its directory from the universe of possible choices and arranged the listings in a useful, coordinated format. There are a myriad of possible choices concerning selection, coordination, and arrangement that go into the production of a telephone directory: how much data to include within each listing (such as types of addresses, zip codes and neighborhood designations); whether to include middle names or initials, or honorifics; whether to segregate residential, business, and government listings; whether to include street addresses; whether to arrange by towns or as one combined directory, the closing date of the directory and the geographic scope of the directory.

There can be no doubt that the gathering together of the particular material that is placed in a telephone directory involves collection, assembly, selection, coordination, and arrangement as those terms are used in the 1976 Act. The copyrightability of directories such as those created by Rural clearly meets the Act's test for "an original work of authorship" as recognized by numerous Courts of Appeal. See *Hutchinson Tel. Co. v. Frontier Directory Co.*, 770 F.2d 128, 131 (8th Cir. 1985) ("[i]t is evident that a directory compiled by a telephone company from its internally maintained records may be said to be independently created"); *Rockford Map Publishers, Inc. v. Directory Serv. Co.*, 768 F.2d 145, 148 (7th Cir. 1985) ("[a] subjective assessment of the importance of the contribution has nothing to do with the existence of copyright"), *cert. denied*, 474 U.S. 1061 (1986).¹⁰

¹⁰ Feist appears to suggest (Pet. Br. 18, 23) that Rural's directory is not subject to copyright because it was generated from Rural's internal customer records. No matter how created, the data in the directory was collected, assembled, selected, arranged, and coordinated by Rural. Noting that

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It therefore comes as no surprise that this Court *already* has declared that "[c]reation of a nonfiction work, even a compilation of pure fact, entails originality." *Harper & Row*, 471 U.S. at 547. The Court cited for this proposition *Schroeder*, 566 F.2d 3, which it characterized as upholding copyright in a gardening directory.¹¹ 471 U.S. at 547.

The copyrighted directory in *Schroeder* consisted of listings of names and addresses of suppliers of seeds, plants, publications and other items useful to gardeners. The directory also included descriptive information about each supplier. The defendant published a competitive gardening directory. In the preparation of its directory, the defendant copied the names and addresses of gardening suppliers from 27 out of 63 pages of the plaintiff's directory. The defendant admitted the copying from the

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Rural publishes the listings of all of its subscribers, Feist also complains that "[t]he inclusion of the entire universe of data is certainly not 'selection' within the meaning of the statute." *Id.* at 18. However, the decision by Rural to include its subscribers in a single directory for the eleven county area - instead of several separate directories covering parts of that area - is an act of selection. Furthermore, the decision by Rural to include only its subscribers in the initial portion of its directory and to place the listings from adjacent telephone companies in a subsequent portion of the directory is a further act of selection. Finally, Rural selected one combined alphabetical arrangement for its subscribers as opposed to separate alphabetical arrangements for each city or community within its service area. Feist's argument leads to a nonsensical conclusion - the more inclusive and useful a directory, the less the copyright protection to which it is entitled.

¹¹ See *Stewart v. Abend*, ___ U.S. ___, 110 S. Ct. 1750, 1767 (1990) (citing *Adventures in Good Eating v. Best Places to Eat*, 131 F.2d 809 (7th Cir. 1942) (upholding copyright in restaurant directory)).

plaintiff's directory and admitted the validity of the plaintiff's copyright in its directory. The defendant, however, contended that the portions of the plaintiff's directory which it copied were uncopyrightable components of the directory. The copied material amounted to approximately one percent of the material in the defendant's directory.

In finding the plaintiff's directory to be copyrightable subject matter, the court stated:

An original compilation of names and addresses is copyrightable even though the individual names and addresses are in the public domain and not copyrightable. [Citation to *Leon and Jeweler's Circular* omitted]. As the latter case observed, only "industrious collection," not originality in the sense of novelty, is required. . . . The copyright protects not the individual names and addresses but the compilation, the product of the compiler's industry. . . .

Defendants are not exonerated by the fact that the compilers of their book copied only the names and addresses and not the accompanying descriptive material that appeared in plaintiffs' book. The copyright protected not merely the descriptive material but also "the selection, the ordering and arrangement" of the names and addresses.

Id. at 5-6 (emphasis added).

A more recent decision reaching the same conclusion as *Harper & Row* was *United Tel. Co. v. Johnson Publishing Co.*, 671 F. Supp. 1514 (W.D. Mo. 1987), *aff'd*, 855 F.2d 604 (8th Cir. 1988). That case involved the copying of United Telephone's copyrighted 1985 white pages telephone directory for Jefferson City, Missouri. The defendant was in the business of publishing and selling "city directories" which included a white pages section containing the names, addresses, and telephone numbers of area residents, the names of their spouses, and the names and

years of birth of their children. The defendant's business listings included a brief description of the type of business and the names of the principals.

In 1986, the defendant compared its 1985 City Directory with United Telephone's 1985 telephone directory. As a result of this comparison, the defendant copied into a computer database approximately 5,000 names, addresses and telephone numbers of residents and businesses contained in United Telephone's 1985 directory which were not contained in the defendant's 1985 City Directory. The defendant attempted to contact all of the residents and businesses listed in its database to confirm the accuracy of the information copied from United Telephone's directory. The information was then published in the defendant's 1986 City Directory.

In finding that the defendant had infringed United Telephone's copyright, the court noted that the white pages section of United Telephone's directory was created in accordance with the definition of a compilation contained in Section 101 of the 1976 Copyright Act. After further noting Section 103's caveat that copyright protection extends "only to the material contributed by the author," the court found that the defendant's copying of names, addresses, and telephone numbers from United Telephone's directory into a computer database was a copying of:

a protected expression of the preexisting names, addresses, and telephone numbers of [United Telephone's] subscribers. By copying this information directly into its computer data base, [the defendant] has "taken" from United Telephone's compilation of its listings, and has copied "material contributed by the author."

Id. at 608.

Indeed, since the enactment of the Act, the courts uniformly have held that directories in general, and telephone directories in particular, are subject to copyright. See *Illinois Bell Tel. Co. v. Haines & Co.*, 683 F. Supp. 1204 (N.D. Ill. 1988), 905 F.2d 1081 (7th Cir. 1990) (white

pages), *petition for cert. pending*, 59 U.S.L.W. 3374 (U.S. Nov. 2, 1990) (No. 90-731); *Konor Enters., Inc. v. Eagle Publications, Inc.*, 878 F.2d 138, 140 (4th Cir. 1989) (white and yellow pages); *Hutchinson*, 770 F.2d at 131-132 (white pages); *Southern Bell Tel. & Tel. Co. v. Associated Tel. Directory Publishers*, 756 F.2d 801, 811 (11th Cir. 1985) (yellow pages); *Farmers Indep. Tel. Co. v. Thorman*, 648 F. Supp. 457, 459-61 (W.D. Wis. 1986) (white and yellow pages); *Central Tel. Co. v. Johnson Publishing Co.*, 526 F. Supp. 838, 843-44 (D. Colo. 1981) (white pages); *Northwestern Bell Tel. Co. v. Bedco of Minnesota, Inc.*, 501 F. Supp. 299, 301 (D. Minn. 1980) (yellow pages); *BellSouth Advertising & Publishing Corp. v. Donnelley Information Publishing, Inc.*, 719 F. Supp. 1551 (S.D. Fla. 1988) (yellow pages), *appeal docketed*, No. 89-5131 (11th Cir. 1989). Rural is not aware of any decision by any court declining to award copyright protection to a telephone directory.¹²

B. THE SCOPE OF COPYRIGHT PROTECTION EXTENDS TO THE COMPILATION OF MATERIAL IN A DIRECTORY

Once copyrightability of its directory is established, Rural must prove that Feist intruded on Rural's exclusive rights by substantially reproducing the compilation of listings in the directory, or by preparing derivative works based upon the compilation of listings. 17 U.S.C. § 106(1), (2) (1976). It is axiomatic, of course, that the infringing work need not be an exact duplicate of the copyrighted work. *Sid & Marty Krofft Television Prods., Inc. v. McDonald's Corp.*, 562 F.2d 1157, 1167 (9th Cir.

¹² In a recent district court case, *Black's Guide, Inc. v. Medi-america Inc.*, 16 U.S.P.Q.2d 1769 (N.D. Cal. 1990), the court found the plaintiff's leasing guide not to be copyrightable because of the absence of any original selection, coordination or arrangement of the facts presented therein. The holding of this case is in conflict with numerous prior decisions relating to directories; however, it is distinguishable from the present case since it does not relate to a telephone directory.

1977). It is sufficient if a substantial copy of the copyrighted compilation of listings is made. See *Perris v. Hexamer*, 99 U.S. 674 (1878); *Toksvig v. Bruce Pub. Co.*, 181 F.2d 664, 666 (7th Cir. 1950).

Given that Feist admitted the keying of 4,935 listings from Rural's directory into a computer database for the purpose of building a publishing database, there is no issue as to the copying of a substantial portion of the compilation of listings in Rural's directory; Feist has acknowledged that Rural's directory "was extensively used to prepare a portion of [its] directory."¹³ Pet. App. at 11a. In addition, fictitious listings in Rural's directory appeared in Feist's publication; the inclusion of such fictitious listings has long been understood as "one of the most significant evidences of infringement." *Callaghan v. Myers*, 128 U.S. 617, 662 (1888); *Central Tel. Co. v. Johnson Publishing Co.*, 526 F. Supp. 838, 844 (D. Colo. 1981). See 3 M. Nimmer & D. Nimmer, *supra*, § 13.03[C]. Indeed, Rural's directory was the basis for the portion of Feist's directory that covered Rural's service area. See Pet. App. at 7a-8a.

It is necessary to state clearly what Feist is arguing with respect to infringement of Rural's copyright. Feist's argument is premised upon the view that its copying of listings from Rural's directory did not violate Rural's copyright because Feist only copied uncopyrightable

¹³ In the absence of direct evidence of copying, the question of infringement often involves a complex factual inquiry that turns on a demonstration of the infringer's access to the copyrighted work and of substantial similarity between the copyrighted and the infringing works. See 3 M. Nimmer & D. Nimmer, *Nimmer on Copyright*, § 13.01[B] at 13-8, § 13.03[A] (1990); Denicola, *Copyright in Collection of Facts: A Theory for the Production of Nonfiction Literary Works*, 81 Colum. L. Rev. 516, 532 (1980). In this case, there is no need to engage in such an inquiry - Feist admits that it made extensive use of the Rural directory in the preparation of the Feist directory.

facts. Feist also contends that the listings included in Rural's directory are "preexisting material" that cannot be subject to copyright protection.

Facts and discoveries, of course, are not themselves subject to copyright protection. *Harper & Row*, 471 U.S. at 556; *International News Serv. v. Associated Press*, 248 U.S. 215, 234 (1918); 17 U.S.C. § 102(b) (1976). Rural has never claimed copyright protection for individual listings; it seeks to protect only its original contribution - its compilation of listings which results from collection, assembly, and selection, as well as coordination and arrangement, of individual facts. Rural certainly has no exclusive rights in the information set out in its directory; anyone may discover for themselves and publish that information. While "copyright does not prevent subsequent users from copying from a prior author's work those constituent elements that are not original," copyright does prevent appropriation of the author's original contribution. *Harper & Row*, 471 U.S. at 548.

Feist's argument necessarily depends on the assertion that even if Rural has a copyrightable interest in its directory, that interest extends only to the "exact arrangement of [its] listings." Pet. Br. at 22. Feist apparently contends that any activity other than the identical copying of a directory, such as any copying that varies the arrangement or ordering of listings, or any copying that includes additions or subtractions from those listings, avoids infringement of the copyright. See Pet. Br. at 18-22. Feist is simply wrong in this assertion. Furthermore, Feist is incorrect in arguing (Pet. Br. at 18-19, 22) that its position is supported by Section 103(b), which provides that "[t]he copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material." 17 U.S.C. § 103(b)

(1976).¹⁴ This contention cannot be reconciled with prior judicial interpretations, or the history and purposes of the Act. As the directory decisions that predated enactment of the Copyright Act uniformly hold, the appropriation of substantial portions of a compilation of facts that had been collected, assembled and selected (or arranged or coordinated) in an original manner plainly appropriates, along with those facts, the author's original contribution.

1. Judicial Decisions Prior To The Copyright Act Of 1976 Establish That A Substantial Copying Of A Compilation Constitutes Infringement

Prior to the 1976 Act, several courts implicitly addressed and rejected the arguments raised here by

¹⁴ While it literally applies to compilations, Section 103(b) is principally directed to an entirely different problem from the one at issue here: Congress was concerned that the author of a derivative work based upon a work that itself was copyrighted or in the public domain might attempt to assert a copyright interest in the original work. Congress thus explained of Section 103(b) that "[t]he most important point here is one that is commonly misunderstood today: copyright in a 'new version' covers only the material added by the *later* author, and has no effect one way or the other on the copyright or public domain status of the preexisting material." H.R. Rep. No. 1476, 94th Cong., 2d Sess. at 57 (1976) (emphasis added); S. Rep. No. 473, 94th Cong., 1st Sess., at 55 (1975). But this concern is simply inapplicable here; a directory is not a "new version" of anything - it is an entirely original work. Despite hints to the contrary by amicus North American Directory Publishers, *et al.* Motion for Leave to File Brief *Amici Curiae* and Brief of Ass'n of North American Directory Publishers, and the Directory Publishers Association as *Amici Curiae* in Support of Petitioner Feist Publications, Inc. at 10 & n.9, *Feist Publications, Inc. v. Rural Tel. Serv. Co., Inc.*, No. 89-1909 (1989), neither Congress nor the Register of Copyrights expressed any dissatisfaction with judicial decisions involving compilations of fact.

Feist. Those courts held that a defendant's substantial copying of listings – even though each individual listing may arguably contain only "facts" – constituted an infringement of the compilation copyright. The courts properly considered the argument that the infringer's copying of a substantial number of listings necessarily appropriated the copyright owner's original work – especially with respect to the owner's selection of material included in the compilation. For example, in *Leon v. Pacific Tel. & Tel. Co.*, 91 F.2d 484 (9th Cir. 1937) – a decision generally regarded as "[t]he landmark case on copyright infringement of a telephone directory"¹⁵ – the copyrighted work was an alphabetical white pages telephone directory. The court in *Leon* upheld the copyright owner's infringement claim against a defendant who had copied the selection of listings and then rearranged them numerically by telephone number (a so-called "criss-cross" directory). *Id.* at 485.

Most of the decisions of these courts found infringement even though the infringer either rearranged the copied listings or added new material to the listings – precisely the type of activity that Feist claims excuses its copying. See *Schroeder v. William Morrow & Co.*, 566 F.2d 3, 4-5 (7th Cir. 1977) (copyrighted gardening directory contained lists with names, addresses, and short descriptions of suppliers and nurseries; infringing publication omitted descriptions but included much new material, so that copied material amounted only to approximately one per cent of infringing volume); *Southwestern Bell*, 371 F. Supp. at 904 (infringing telephone directory less inclusive than copyrighted work); *Chain Store Business Guide v. Wexler*, 79 F. Supp. 726, 727 (S.D.N.Y. 1948) (infringing directory of stores presented in different format); *Sub-Contractors Register v. McGovern's Contractors & Builders Manual*, 69 F. Supp. 507, 508 (S.D.N.Y. 1946)

¹⁵ *Southwestern Bell Tel. Co. v. Nationwide Indep. Directory Serv., Inc.*, 371 F. Supp. 900, 905 (W.D. Ark. 1974)

(infringing directory of building trades less inclusive); *Triangle Publications v. New England Newspaper Publishing Co.*, 46 F. Supp. 198, 202 (D. Mass. 1942) (compilation of horse racing results and performance tables copied in narrative form); *Sampson & Murdock Co. v. Seaver-Radford Co.*, 140 F. 539, 540 (1st Cir. 1905) (directories with different closing dates).

These pre-Act cases often expressed an interest in protecting a copyright owner's "industrious collection" in preparing the compilation. In an often quoted passage by Learned Hand, the Second Circuit declared that "[t]he man who goes through the streets of a town and puts down the names of each of the inhabitants, with their occupations and their street number, acquires material of which he is the author. He produces by his labor a meritorious composition, in which he may obtain a copyright, and thus obtain the exclusive right of multiplying copies of his work." *Jeweler's Circular Publishing Co. v. Keystone Publishing Co.*, 281 F. 83, 88 (2d Cir. 1922), *cert. denied*, 251 U.S. 581 (1922). See *Leon*, 91 F.2d at 486. The court's focus in that case was not on labor *per se*, but rather upon the labor that was reflected in the very nature of the compilation – a directory composed of relevant listings or consistent factual pieces of information that through the copyright owner's efforts are selected, coordinated, or arranged to form the copyrightable work.

These decisions were not aberrations. Their analysis was echoed, without dissent, by the other directory cases of the period. See *Schroeder*, 566 F.2d at 5 ("only 'industrious collection,' not originality in the sense of novelty, is required"); *Adventures in Good Eating v. Best Places to Eat*, 131 F.2d 809, 812 (7th Cir. 1942) ("[a]ny person may produce a directory of restaurants, but he must 'start from scratch'"). The reasoning of these decisions was routinely relied upon by courts that endorsed

their analysis.¹⁶ Indeed, so far as Rural is aware, there is no judicial authority from the period prior to enactment of the 1976 Act challenging either the holdings or the premises of these decisions.

2. The Legislative History Of The Copyright Act Of 1976 Establishes That The Substantial Copying Of A Compilation Constitutes Infringement

The legislative history provides direct evidence of congressional approval of the holdings in *Leon* and *Jeweler's Circular*. In enacting the Copyright Act of 1976, Congress was aware of and approved these judicial authorities. In a major study, commissioned by Congress as one of the comprehensive studies undertaken as a prelude to work on the 1976 Copyright Act (see S. Rep.

¹⁶ See, e.g., *College Entrance Book Co. v. Amsco Book Co.*, 119 F.2d 874, 875-76 (2d Cir. 1941) (citing *Jeweler's Circular* in finding infringement in copying of French words and translations); *Yale University Press v. Row, Peterson & Co.*, 40 F.2d 290, 291-92 (S.D.N.Y. 1930) (citing *Jeweler's Circular* in finding infringement in copying of book of photographs); *General Drafting Co. v. Andrews*, 37 F.2d 54, 55 (2d Cir. 1930) (citing *Jeweler's Circular* in finding infringement in copying of map); *W.H. Anderson Co. v. Baldwin Law Pub. Co.*, 27 F.2d 82, 89-91 (6th Cir. 1928) (citing *Jeweler's Circular* in finding infringement in copying of law index); *American Travel & Hotel Directory v. Gehring Publishing Co.*, 4 F. 415, 416 (S.D.N.Y. 1925) (citing *Jeweler's Circular* in finding infringement in copying of hotel directory); *Produce Reporter Co. v. Fruit & Produce Rating Agency*, 1 F.2d 58, 61-62 (N.D. Ill. 1924) (citing *Jeweler's Circular* in finding infringement in copying of credit rating lists); *Southwestern Bell*, 371 F. Supp. at 904-05 (citing *Leon* and *Jeweler's Circular* in finding infringement in copying of telephone directory); *Sub-Contractors Register*, 69 F. Supp. at 509-10 (citing *Jeweler's Circular* in finding infringement in copying of building trades directory); *Triangle Publications*, 46 F. Supp. at 201-02 (citing *Leon* and *Jeweler's Circular* in finding infringement in copying of compilation of horse race results and performance tables).

No. 473, *supra*, at 47), the operative language from *Jeweler's Circular* was approved. *Copyright Law Revision: Studies Prepared for the Subcomm. on Patents, Trademarks & Copyrights of the Senate Comm. on the Judiciary*, 86th Cong., 1st Sess. Part 1 at 86 (Comm. Print 1960) (citing *Jeweler's Circular*, 281 F. at 88). Furthermore, *Leon* and *Jeweler's Circular* were cited with approval to both Houses of Congress during hearings leading to enactment of the 1976 Copyright Act. See *Hearings on H.R. 4347, H.R. 5680, H.R. 6831, H.R. 6835 Before Subcomm. No. 3 of the House Comm. on the Judiciary*, 89th Cong., 2d Sess. 1503 (1966) (statement of Ralph Dwan citing *Leon* with approval); *id.* at 1697 (statement of John Schulman citing *Jeweler's Circular* with approval); *Copyright Law Revision: Hearings on S. 1006 Before the Subcomm. on Patents, Trademarks & Copyrights of the Senate Comm. on the Judiciary*, 89th Cong., 1st Sess. 97 (1965) (statement of John Schulman citing *Jeweler's Circular* with approval). See also *Copyright Law Revision: Hearings on S. 1361 Before the Subcomm. on Patents, Trademarks & Copyrights of the Senate Comm. on the Judiciary*, 93d Cong., 1st Sess. 271 (1973) (statement of Paul G. Zurkowski noting protection of directories).

Leon and *Jeweler's Circular* also were cited by the National Commission on New Technological Uses of Copyrighted Works ("CONTU") for the proposition that unauthorized appropriation of the data in a computerized database is copyright infringement. National Commission on New Technological Uses of Copyrighted Works, *Final Report* 104 n.76 (1978) ["CONTU Report"]. CONTU's views bear particular weight because the Commission was established by Congress in 1974 to recommend copyright legislation relating to computers and photocopiers; its recommendations were enacted by Congress in the Computer Software Copyright Act of 1980, Pub. L. No. 96-517 (1980), as an amendment to the Act. Courts accordingly "consider the CONTU Report as accepted by Congress since Congress wrote into the law the majority's recommendations almost verbatim." *Apple Computer, Inc. v. Franklin Computer Corp.*, 714 F.2d 1240, 1252 (3d Cir.

1983), cert. dismissed, 464 U.S. 1033 (1984). See *Whelan Assocs., Inc. v. Jaslow Dental Laboratory, Inc.*, 797 F.2d 1222, 1241 (3d Cir. 1986), cert. denied, 479 U.S. 1031 (1987). Because the information in such a database cannot meaningfully be said to have any "arrangement" at all, this conclusion necessarily rests on the proposition that the "selection" of data in the database is protected. See Denicola, *Copyright in Collections of Facts: A Theory for the Protection of Nonfiction Literary Works*, 81 Colum. L. Rev. 516, 531 (1981). Thus, as CONTU observed,

[t]he use of one item retrieved from such a work – be it an address, a chemical formula or a citation to an article – would not under reasonable circumstances merit the attention of the copyright proprietor. Nor would it conceivably constitute infringement of copyright. The retrieval and reduplication of any substantial portion of a data base, whether or not the individual data are in the public domain, would likely constitute a duplication of the copyrighted element of the data base and would be infringement.

CONTU Report at 103.¹⁷ In like fashion, unauthorized appropriation of the compilation of listings in a directory is an infringement because that compilation also results from acts of selection as well as arrangement.

Feist's challenge to *Leon*, *Jeweler's Circular* and their progeny is flatly inconsistent with this congressional history. In enacting the Copyright Act, "Congress indicated when it intended to incorporate existing case law." *Community for Creative Non-Violence v. Reid*, 109 S. Ct. 2166, 2177 n.15 (1989). Cf. *Mills Music, Inc. v. Snyder*, 469

¹⁷ Feist's suggestion (Pet. Br. at 17) that protection for directories would transcend Congress's constitutional power under the Copyright Clause accordingly is flawed. Rural is not seeking copyright protection for facts; it seeks to protect the collection (the selection) of data that "itself [is] a work of authorship." Denicola, *supra*, 81 Colum. L. Rev. at 530.

U.S. 153, 170-72 (1985). As explained above, it is beyond dispute that Congress meant to endorse existing law on originality and the scope of copyrightability. That law was wholly uncontroversial at the time. In particular, there was not a whisper of discontent in the courts with the copyright protection accorded directories or with the rule of *Leon* or *Jeweler's Circular*.

3. Judicial Decisions Following the Copyright Act Of 1976 Continue to Protect Compilations From Substantial Copying

Rural's position is also supported by judicial decisions interpreting the 1976 Copyright Act. Since the enactment of the 1976 Act, several courts have held that a defendant's substantial copying of a copyrighted directory constitutes infringement. For example, in *United Tel. Co. v. Johnson Publishing Co.*, the court held as follows:

In this case, the Court cannot conclude that Johnson [defendant] began its update of its data base listings "as if there had never been a first compilation." Rather, Johnson started with United's 1985 Jefferson City telephone directory to update its data base and subsequently initiated telephonic canvassing after the listings not contained in its data base were entered into the data base by keyboard operators. In the opinion of the Court, such evidence constitutes direct evidence of substantial copying, thereby making United's claim for copyright infringement a valid one and which, under the stipulations and evidence submitted by the parties, warrants the granting of summary judgment in favor of United. (Footnote omitted).

671 F. Supp. 1514, 1522 (W.D. Mo. 1987), *aff'd*, 855 F.2d 604 (8th Cir. 1988). See also *Southwestern Bell*, 371 F. Supp. at 906; *Northwestern Tel. Sys., Inc. v. Local Publications, Inc.*, 208 U.S.P.Q. 257, 258 (D. Mont. 1979).

Feist's argument cites only a few decisions that have questioned whether the earlier decisions apparent

emphasis on "industrious collection" is itself sufficient to justify copyright protection. *See* Pet. Br. at 16-18. The cited cases do not overrule or directly question the earlier holdings, but rather simply point out that labor, apart from the requisite selection, coordination or arrangement, is not sufficient to justify copyright protection – a claim not disputed by Rural.

Similarly, Feist relies (Pet. Br. at 19-20) on the views of the late Professor Nimmer, whose complaint, reflected in the current edition of his treatise, was that *Leon* and similar decisions "fail to apply the standard of originality as it is understood in the law of copyright." 1 M. Nimmer & D. Nimmer, *supra*, § 3.04 at 3-20.2. As Professor Nimmer also observed, however, Congress indicated that the Copyright Act was not intended to change standards of copyrightability and originality that had been established by the courts prior to 1976. *See id.* § 3.04 at 3-20.3 n.22. Indeed, Professor Nimmer had criticized decisions such as *Leon* even before enactment of the Copyright Act. *See Nimmer on Copyright* § 41 at 171-72 (1975). However, Professor Nimmer's views were not accepted by Congress when it expressly endorsed then-existing law.

4. Protecting The Original Selections Of Material, As Well As Original Coordinations Or Original Arrangements Of Material, Contained In A Compilation Is Fully Consistent With The Policies Underlying The Copyright Act Of 1976

It is clear from the background of the Act that Congress understood originality, and thus copyright protection, to reside in original selections of material; as well as original coordinations or arrangements of material. This understanding was entirely consistent both with the reality of the compilation process and with the theory of the Copyright Act. It is very often the author's selection of disparate pieces of material – as well as the collection and assembly of those pieces into a useful form – that comprise the compiler's original contribution. Accordingly,

one who appropriates substantial portions of a selection of material infringes the compiler's copyright, even if the copier rearranges, or does not copy the arrangement of, the constituent pieces of material.

Plainly, this was the general understanding of the theory underlying copyright protection for compilations prior to 1976. As the Seventh Circuit explained in *Schroeder*, "[t]he copyright protects not the individual names and addresses but the compilation, the product of the compiler's industry." 566 F.2d at 5. This theory is also reflected in the language used by Congress in Section 101 to define a compilation, which looks to the collection and assembly of material that is selected, coordinated, or arranged into an original work. *See Konor Enters., Inc. v. Eagle Publications, Inc.*, 878 F.2d 138, 140 (4th Cir. 1989) ("the directory itself is protected as a unique compilation").

In the case of a directory, the original work includes the mass of material contained within it. As Professor Denicola has explained, courts

find authorship in the act of aggregating isolated pieces of information. The particular *collection* [selection] of data would thus itself be a work of authorship. Unless the collection of data contained in the compilation has been copied from a preexisting source, it represents an original contribution of the author. The collection owes its origin to the author as much as does the manner in which the collection is arranged.

Denicola, *supra*, 81 Colum. L. Rev. at 530 (emphasis in original) (footnote omitted). This understanding is best illustrated by considering computer databases, which are simply "collection[s] of information stored in an electronic memory – information that can be arranged and retrieved in variations limited only by the capabilities of the computer and the sophistication of the retrieval program. In such a context there is no particular arrangement to protect." *Id.* at 531. Yet, such databases expressly were understood by Congress to qualify for copyright

protection. See H.R. Rep. No. 1476, *supra* at 54; CONTU Report at 38-40.

Feist's approach, however, would substantially eliminate copyright protection for compilations of facts. Feist's contention is that each of the bits of information in a compilation may be appropriated, so long as the arrangement of the data is not also copied. Pet. Br. at 19-22. As Professor Denicola has noted, "[a]t its extreme [this rationale] would permit a defendant to choose at random bit after bit of data from an alphabetical directory and then simply rearrange the resulting miscellany into the desired scheme." Denicola, *supra*, 81 Colum. L. Rev. at 528. Indeed, if the copyrighted directory's scheme of arrangement itself were not original, Feist's theory seemingly would permit verbatim copying. To limit copyright protection only to the arrangement of materials in a compilation would effectively preclude copyright protection for almanacs, dictionaries, credit reports, and reference works of all kinds.¹⁸ Because Section 301 of the Act largely preempts state laws that provide protections equivalent to copyright,¹⁹ Feist's reading of the Act would strip all protections from works that, prior to 1976, uniformly had been accorded copyright protection.

¹⁸ This would be true, to the extent that the preexisting material, *i.e.*, the individual listings, did not include separately copyrightable text.

¹⁹ "As long as a work fits within one of the general subject matter categories of Sections 102 and 103, [Section 301] prevents the States from protecting it even if it fails to achieve Federal statutory copyright because it is too minimal or lacking in originality to qualify, or because it has fallen into the public domain." H.R. Rep. No. 1476, *supra*, at 131. The Act therefore leaves very little room for application of state unfair competition or misappropriation protections in this setting. See Patterson & Joyce, *Monopolizing the Law: The Scope of Copyright Protection for Law Reports and Statutory Compilations*, 36 UCLA L. Rev. 719, 780-81 (1989); Denicola, *supra*, 81 Colum. L. Rev. at 517 n.7.

Feist further contends that no acts of selection exist if a compilation publishes the entire universe of facts. As a consequence, Feist's approach would have the perverse effect of encouraging compilers to make their works less inclusive – and therefore less useful – so that they could claim to have exercised "selection" in their choice of data.²⁰

²⁰ An example may help to focus the issue. Consider an author who compiles a comprehensive directory of all baseball cards, along with their prices. Such a compilation would be of great value to the nation's baseball card collectors. Creating the compilation would be an enormous undertaking, requiring the investment of many months of effort in the collection and assembly of the card names and prices and in the selection, coordination, and arrangement of that material into a useful form. The directory guide constitutes an original work of authorship because it was independently created, *i.e.*, the selection, coordination, and arrangement of the card names and prices were not copied from another source. Under Feist's theory, this compilation would be afforded no meaningful copyright protection. Each of the individual listings – reporting the name and price of a given card – would be uncopyrightable as a statement of fact. In Feist's view, the compilation as a whole would not be the product of "selection" on the compiler's part because it included all of the relevant information about *every* card in existence. See Pet. Br. at 18. Further, Feist's theory would hold that making an immaterial change in the arrangement of the listings – breaking them down by league rather than by team, for example – would be enough to defeat a claim of infringement. See Pet. Br. at 22.

Such a result is not supported by existing case law. In *Eckes v. Card Prices Update*, 736 F.2d 859 (2d Cir. 1984), a statistician compiled a guide to all of the 18,000 baseball cards manufactured from 1909 to 1979, providing prices depending upon the condition of the card; the 5,000 most valuable cards were listed separately as "premium" cards. The compilation was regarded as an invaluable "bible" by card aficionados. *Id.* at 861. The

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Copyright protection of Rural's compilation of listings also is fully supported by the policies underlying the Copyright Act. This Court has explained repeatedly that "[t]he rights conferred by copyright are designed to assure contributors to the store of knowledge a fair return for their labors." *Harper & Row*, 471 U.S. at 546. The Court has added that this return "is intended to motivate the creative activity of authors and inventors by the provision of a special reward." *Sony Corp. of America v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984). See *Stewart v. Abend*, ___ U.S. at ___, 110 S. Ct. at 1764; *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975); *Goldstein v. California*, 412 U.S. 546, 555 (1973); *Mazer v. Stein*, 347 U.S. 201, 219 (1954). As the Register of Copyrights explained shortly before passage of the Act: "[T]oo often the public interest has been identified with economic users rather than with authors. . . . [I]t is this protection, the exclusive rights that are supposed to be granted to authors, that is the ultimate public interest that the Constitution and its drafters were thinking about [in the Copyright Clause.]" *Copyright Law Revision: Hearings on H.R. 2223 Before the Subcomm. on Courts, Civil Liberties, and the Administration of Justice of the House Comm. on the Judiciary*, 94th Cong., 1st Sess. 116 (1975) (statement of Ms. Ringer).

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court of appeals held that the author's copyright was infringed when a rival publisher copied the portion of the compilation containing the 5,000 premium cards. The court explained that the author of the original compilation "exercised selection, creativity and judgment in choosing among the 18,000 or so different baseball cards in order to determine which were the 5,000 premium cards." *Id.* at 863. Under Rural's view of this case, the selection of 5,000 premium cards, as well as the selection of 18,000 cards, constitutes an original work of authorship because that selection was independently created, i.e., it was not copied from another source.

These considerations apply with special force here, for the incentives that underlie production of directories – useful works whose creation, all agree, should be encouraged – are almost entirely economic.²¹ So far as users of directories are concerned, it is quite clear that, if the contents of directories "could be pirated away by a competing publisher, . . . the public [soon] would have nothing worth reading." *Harper & Row*, 471 U.S. at 559 (citation omitted).

Preserving this incentive plainly requires protection of a directory compilation. If the copyright inquiry is focused exclusively on the format or arrangement of the compilation, as suggested by Feist, "the economic incentives underlying the copyright laws are largely swept away." *National Business Lists v. Dun & Bradstreet, Inc.*, 552 F. Supp. 89, 92 (N.D. Ill. 1982). See Squires, *Copyright and Compilations in the Computer Era: Old Wine in New Bottles*, 24 Bull. Copyright Soc'y 18 (1976); Comment, *Copyrighted Compilations of Public Domain Facts in a Directory: The Criterion of Infringement*, 71 Nw. U.L. Rev. 833, 835 (1977). That effect seems undeniable in the computer age, where one

²¹ The fact that state law obligates Rural to publish a directory (see Pet. Br. at 1a) does not, however, affect the status of Rural's copyright; "[w]hile the Copyright Act does create certain narrow exceptions to copyrightability for works otherwise constituting original works of authorship, none of those exceptions applies here." *Hutchinson Tel. Co. v. Frontier Directory Co.*, 770 F.2d 128, 132 (8th Cir. 1985) (holding white pages copyrightable despite state law requirement of publication). See *Callaghan*, 128 U.S. at 647 (official state reporter allowed to obtain copyright protection for law reports even though there was a statutory responsibility to prepare those reports); *West Publishing Co. v. Mead Data Central, Inc.*, 799 F.2d 1219 (8th Cir. 1986), cert. denied, 479 U.S. 1070 (1986). In any event, the vigor and thoroughness with which a compiler in Rural's situation carries out those obligations surely would be affected by the prospect that a competitor – who has made no equivalent investment – would be able to appropriate the completed work.

may "feed the original compilation into a computer and, within seconds, produce a hard copy of the facts in a completely different format [or arrangement] for a fraction of the original cost." Comment, *supra*, 71 Nw. U.L. Rev. at 841.²²

²² The Court need not address how to reconcile the uncopyrightability of statements of fact with protection for the author's original contribution "in the realm of factual narrative," see *Harper & Row*, 471 U.S. at 548, as suggested in several *amicus* briefs. This case turns, largely, on the definition of "compilation" in Section 101, a definition that has no evident application to narrative works. Both the societal interests advanced by, and the incentives that underlie the production of, narratives differ significantly from those relating to directories.

Most circuits have not yet addressed the scope of copyright in historical narratives, see *Miller v. Universal City Studios, Inc.*, 650 F.2d 1365, 1370 (5th Cir. 1981). Those that have reached the question have observed that narrow copyright protection for historical research "allows a subsequent author to build upon and add to prior accomplishments without unnecessary duplication of effort." *Id.* at 1371-1372. These courts accordingly have suggested that "the cause of knowledge is best served when history is the common property of all, and each generation remains free to draw upon the discoveries and insights of the past." *Hoehling v. Universal City Studios, Inc.*, 618 F.2d 972, 974 (2d Cir. 1980), *cert. denied*, 449 U.S. 841 (1980). See *Nash v. CBS, Inc.*, 899 F.2d 1537, 1540 (7th Cir. 1990). But these observations are applicable to directories, if at all, only to a substantially reduced degree. Future compilers do not build upon the insights developed in existing directories in the search for ultimate truth; they do so, as in this case, largely as a matter of commercial piracy. Rules designed to spare historians unnecessary duplication of effort should not be applied so that the incentives to create compilations of facts are eliminated. In this regard, copyright protection for literary form provides substantial protection to a narrative, even if the facts described are subsequently copied for publication in another work; that is not true, however, for a directory

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In this light, Feist (Pet. Br. at 16-17 and 19-20) gives unduly short shrift to what it derisively calls "sweat of the brow" cases like *Leon* and *Jeweler's Circular*. Rural does not (and the courts below certainly did not) contend that effort alone, in the absence of originality, warrants copyright protection. Granted that directories are "original works of authorship," the policies of the Act provide that copyright protection sweeps broadly enough to encourage the "industrious collection" that is necessarily required for the creation of any compilation. Here, that policy compels the conclusion that the selection, coordination or arrangement of a compilation is subject to copyrightability - but not the individual bits of material.

It should be noted that Feist's practice of confirming the accuracy of the copying of Rural's listings before placing them in Feist's own directory does not excuse its illegal copying.²³ That conclusion is compelled by the language of the Copyright Act. An author has the exclusive right to "prepare derivative works based upon the copyrighted work." 17 U.S.C. § 106(2) (1976). As defined

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if its compilation of facts is substantially reproduced in another work. See Denicola, 81 Colum. L. Rev. at 536; Comment, *supra*, 71 Nw. U.L. Rev. at 836 (1977). Perhaps, as a consequence, several courts have declined to create universal rules that apply equally to directories and narratives. See *Miller*, 650 F.2d at 1370; *W.H. Anderson Co.*, 27 F.2d at 89. Compare *Nash*, 899 F.2d at 1540 (narrative) with *Illinois Bell Tel. Co. v. Haines & Co.*, 905 F.2d 1081, 1085 (7th Cir. 1990) (directory). Congress's intent regarding directories is clear; other types of works must be considered on their own terms.

²³ Of course, Feist's reproduction of a number of fictitious listings that appeared in Rural's directory raises some question about the care with which this confirmation process was undertaken.

in Section 101, a derivative work "is a work based upon one or more preexisting works." Plainly, a second directory that is prepared through the simple expedient of confirming the accuracy of listings copied from an existing directory is "based upon" that directory. The policies underlying the Act warrant the same conclusion, for the "erosion of incentive" that would follow from permitting Feist's practice is clear. Denicola, *supra*, 81 Colum. L. Rev. at 534 n.90.

Long before enactment of the Copyright Act, Justice Story explained that a second author may avoid infringement only by basing his work on independent sources of information, whether "common or independent." *Emerson v. Davies*, 8 F. Cas. 615, 624 (C.C.D. Mass. 1845) (No. 4436). Later in the nineteenth century, a series of influential English decisions squarely held that "a subsequent compiler is bound to set about doing for himself that which the first compiler has done. . . . [T]he only use that [the defendant] can legitimately make of a previous publication is to verify *his own calculations and results* when obtained." *Kelly v. Morris*, L.R. 1 Eq. 697, 701-02 (1866) (emphasis added). See *Morris v. Wright*, L.R. 5 Ch. App. 279 (1870).

The English rule was followed in this country prior to enactment of the 1909 Act. A number of courts thus held that a second compiler could not verify, correct, and then republish material appearing in a copyrighted directory: "[T]his was not original work. It was only a verification of what was found in the complainant's directory, so that this incidental work only completes and makes certain the connecting link between the two publications." *Sampson & Murdock Co.*, 140 F. at 543. See also, e.g., *List Pub. Co. v. Keller*, 30 F. 772, 773 (C.C.S.D.N.Y. 1887). It was generally understood after enactment of the 1909 statute that, while facts themselves were not subject to copyright, a second compiler could not take "the ultimate data while avoiding the labor and expense involved in compiling them." *Associated Press*, 248 U.S. at 257 n.12 (Brandeis, J.,

dissenting). See, e.g., *Adventures in Good Eating*, 131 F.2d at 811. Cf. *Mazer*, 347 U.S. at 218 ("a copyrighted directory is not infringed by a similar directory which is the product of independent work"); *Fred Fisher, Inc. v. Dillingham*, 298 F. 145, 150 (S.D.N.Y. 1924) ("No one doubts that two directories, independently made, are each entitled to copyright, regardless of their similarity").²⁴ There is no reason to believe that Congress intended to change this standard when it enacted the Copyright Act of 1976.

Thus, as Judge Easterbrook wrote for the Seventh Circuit:

All concede, as Learned Hand said in *Jeweler's Circular*, *supra*, 274 F. at 935, that "a second compiler may check back his independent work upon the original compilation." The right to "check back" does not imply a right to start with the copyrighted work. Everyone must do the same basic work, the same "industrious collection." . . . The second compiler must assemble

²⁴ One English and at least one early American decision did indicate in dicta that the material in a copyrighted compilation might be verified and then republished. *Moffatt & Paige Ltd. v. George Gill & Sons, Ltd.*, 86 L.T.R. (n.s.) 465, 471 (C.A. 1902); *Edward Thompson Co. v. American Law Book Co.*, 122 F. 922 (2d Cir. 1903) (citing *Moffatt*). Even these decisions, however, were ambiguous in identifying how much of an independent initial canvass the second compiler was required to undertake. See Lurvey, *Verifying from Prior Directories - "Fair Use" or Theft?*, 13 Bull. Copyright Soc'y 271, 283 (1966). Cf. *Jeweler's Circular*, 274 F. at 935 (adverting to apparent disagreement between *Edward Thompson Co.* and *Sampson & Murdock*). But as one commentator noted just prior to enactment of the 1976 Act, "[n]o recent decisions . . . have condoned this practice, commonly referred to as 'slipping.' The majority view holds, rather, that subsequent compilers may use information contained in a copyrighted compilation only to verify that information gathered and reproduced as a result of independent effort." Squires, *supra*, 24 Bull. Copyright Soc'y at 27-28 (footnote omitted). See *id.* at 28 n.41.

the material as if there had never been a first compilation; only then may the second compiler use the first as a check on error.

Rockford Map Publishers, Inc. v. Directory Serv. Co., 768 F.2d 145, 149 (7th Cir. 1985), *cert. denied*, 474 U.S. 1061 (1986) (footnote omitted). See 2 M. Nimmer & D. Nimmer, *supra*, § 8.01[E] at 8-20; Denicola, *supra*, 81 Colum. L. Rev. at 534 n.90.

C. FEIST'S SUBSTANTIAL COPYING OF RURAL'S DIRECTORY FOR COMMERCIAL PURPOSES DOES NOT CONSTITUTE FAIR USE

Feist also argues that its substantial copying of Rural's directory was justified under the fair use doctrine. This issue is not before the Court; the order granting certiorari was limited to the third question presented in Feist's petition which dealt with whether its use of Rural's directory constituted infringement. Feist's petition did not discuss the fair use doctrine.

This is not an appropriate case for considering the fair use doctrine in any event. The fair use doctrine is by definition a highly factual inquiry. The district court, relying on a number of prior decisions discussed below, held that the fair use defense was not applicable given that Feist copied a substantial portion of Rural's directory; the Tenth Circuit affirmed without any substantive discussion concerning fair use. Moreover, the Supreme Court has recently articulated the fair use defense in extensive detail in both *Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539 (1985) and *Sony Corp. of America v. Universal City Studios, Inc.*, 464 U.S. 417 (1984). This case is hardly a useful vehicle for providing further insights into the fair use defense.

On the merits, Feist contends that the courts below improperly applied a *per se* rule barring the application of the fair use doctrine. Pet. Br. at 14. This is an inaccurate description of what the district court held. After setting

forth the statutory factors used to determine fair use under Section 107, the district court cited several decisions applying the fair use test, and then applied the general rule set down in those cases to the facts of this case finding that the fair use defense was not available given that Feist substantially copied Rural's directory without performing an independent canvass. The court did not use the term "*per se*"; indeed, the opinion expressly noted that Feist copied the compilation in Rural's directory without first having made efforts to compile its own information. The court found this type of activity not to constitute fair use.

In deciding the fair use question, the district court relied upon a long and unbroken line of decisions holding that a second compiler may not substantially copy earlier compilations before first creating its own compilation. It is the substantial copying – especially here where the sole purpose is for commercial activity – that formed the basis of the court's decision.

The district court's approach is fully consistent with innumerable decisions under both the 1909 Copyright Act and the 1976 Copyright Act. As was the case with respect to Sections 102 and 103 of the 1976 Act, there is no difference with respect to the interpretation of fair use as between the 1909 Act and the 1976 Act.²⁵

²⁵ The 1909 Act did not set forth any description of fair use; rather, the doctrine evolved through judicial interpretations of the policies implicit in copyright law. The 1976 Copyright Act included Section 107 which codifies a list of factors that courts should use in conducting the fair use analysis. It is undisputed that the codification of the statutory factors was not intended to change, narrow, or enlarge the doctrine of fair use in any way and that Section 107 was merely a codification of the existing judicially created doctrine. See *Harper & Row*, 471 U.S. at 549, ("[T]he statutory formulation of the defense of fair

(Continued on following page)

As an exception to the copyright laws, the fair use defense permits one to lawfully use copyrighted material without the owner's consent. As implied by its name, fair use requires that the use be reasonable – fair use is an equitable rule of reason. *Sony*, 464 U.S. at 448. It is not necessary that all of the statutory factors be resolved in favor of the copyright owner; they are merely to be considered in assessing whether a use is fair or unfair. The question of fair use turns on the importance of the material copied from the viewpoint of a reasonable copyright owner, *i.e.*, would a reasonable copyright owner have consented to the use in question. As this Court has noted:

[Perhaps] no more precise guide can be stated than Joseph McDonald's clever paraphrase of the Golden Rule: 'Take not from others to such an extent and in such a manner that you would be resentful if they so took from you.'

Harper and Row, 471 U.S. at 550 n.3 (quoting 3 M. Nimmer, *supra*, §13.05[A] at 13-66).

Substantial copying of a compilation has never been afforded any protection under the fair use doctrine. The House Report that directly preceded the enactment of the 1976 Act explained as follows:

The claim that a defendant's acts constituted a fair use rather than an infringement has been raised as a defense in innumerable copyright actions over the years, and there is ample case law recognizing the existence of the doctrine and applying it. The examples enumerated at page 24 of the Register's 1961 Report, while by no means exhaustive, give some idea of the sorts

(Continued from previous page)

use in the Copyright Act reflects the intent of Congress to codify the common-law doctrine."); H.R. Rep. No. 1476, *supra*, at 66 (Section 107 was "intended to restate the present judicial doctrine of fair use, not to change, narrow or enlarge it in any way.")

of activities the courts might regard as fair use under the circumstances: "quotation of excerpts in a review or criticism for purposes of illustration or comment; quotation of short passages in a scholarly or technical work, for illustration or clarification of the author's observations; use in a parody of some of the content of the work parodied; summary of an address or article, with brief quotations, in a news report; reproduction by a library of a portion of a work to replace part of a damaged copy; reproduction by a teacher or student of a small part of a work to illustrate a lesson; reproduction of a work in legislative or judicial proceedings or reports; incidental and fortuitous reproduction, in a newsreel or broadcast, of a work located in the scene of an event being reported."

H.R. Rep. No. 1476, 94th Cong., 2d Sess. 65 (1976).

It has long been recognized that it is not fair use of a copyrighted telephone directory to copy from that directory before conducting an initial independent canvass. In the seminal case of *Leon v. Pacific Tel. and Tel. Co.*, 91 F.2d 484 (9th Cir. 1937), the defendant contended that the copying of the names and telephone numbers in the plaintiff's copyrighted alphabetical telephone directory and then rearranging that information into an inverted or criss-cross telephone directory constituted fair use. After noting that substantial copying and publication of copyrighted material can seldom be fair use, the court in *Leon*, quoting from an English case, found that the defendants' copying had been unfair because it:

... appropriated the result of this [plaintiff's] labor and expense to their own use, and even if they have injured the plaintiffs in no other way, they have at any rate deprived them of the advantage, which their copyright conferred on them, of being able to publish such a book as the defendants' book at much less labor and expense than anyone else.

Id. at 487 (quoting *Weatherby & Sons v. International Horse Agency and Exch., Ltd.*, [1910] 2 Ch. 297, 304; 79 L.J.Ch. 609). Accordingly, the court concluded that the defendants had infringed the plaintiff's copyright and sustained the judgment of the district court enjoining the defendants from printing, publishing, selling, or disposing of the infringing telephone directory.²⁶

This same approach has been followed in numerous post-1976 Act cases. See *Illinois Bell Tel. Co. v. Haines & Co.*, 683 F. Supp. 1204, 1210 (N.D. Ill. 1988) ("[W]hen a defendant fails to start with his own independent canvass and instead starts with plaintiff's copyrighted information . . . [the fair use] defense is unavailable."), *aff'd*, 905 F.2d 1081 (7th Cir.), *petition for cert. filed*, 59 U.S.L.W. 3374 (U.S. Nov. 2, 1990) (90-731). Accord *Central Tel. Co. v. Johnson Publishing Co.*, 526 F. Supp. 838, 843-44 (D. Colo. 1981) (" . . . a compiler of a directory may make fair use of an existing compilation if he first makes an independent canvass, then merely compares and checks his own compilation with that of the copyrighted publication and publishes the result after verifying the additional items derived from the copyrighted publication."); *United Tel. Co. v. Johnson Publishing Co.*, 671 F. Supp. 1514, 1522-23 (W.D. Mo. 1987) (" . . . the Court cannot conclude

²⁶ This same principle was followed in numerous other cases decided under the 1909 Copyright Act. See *G.R. Leonard & Co. v. Stark*, 156 U.S.P.Q. 161, 161-62 (7th Cir. 1967); *W. H. Anderson Co. v. Baldwin Law Pub. Co.*, 27 F.2d 82, 89 (6th Cir. 1928); *Menke v. Richfield Oil Corp.*, 14 U.S.P.Q. 296, 297-98 (S.D.N.Y. 1932); *Orgel v. Clark Boardman Co.*, 301 F.2d 119, 120 (2d Cir. 1962); *American Travel & Hotel Directory Co. v. Gehring Publishing Co.*, 4 F.2d 415, 416 (S.D.N.Y. 1925); *Jeweler's Circular Publishing Co. v. Keystone Publishing Co.*, 281 F. 83, 89 (2d Cir. 1922); *Adventures in Good Eating v. Best Places to Eat*, 31 F.2d 801, 812-13 (7th Cir. 1942). Cases decided prior to the 1909 Copyright Act include *List Pub. Co. v. Keller*, 30 F. 772, 773 (C.C.S.D.N.Y. 1887); *Hartford Printing Co. v. Hartford Directory & Publishing Co.*, 146 F. 332, 334 (C.C.D. Conn. 1906).

that . . . [the defendant] began its update of its data base listings as if there had never been a first compilation' . . . [since it] started with . . . [plaintiff's] telephone directory to update its data base and subsequently initiated telephonic canvassing after the listings not contained in its data base were entered into the database by keyboard operators."), *aff'd*, 855 F.2d 604 (8th Cir. 1988). See also *Southwestern Bell Tel. Co. v. Nationwide Indep. Directory Serv., Inc.*, 371 F. Supp. 900, 906 (W.D. Ark. 1974); *Northwestern Tel. Sys., Inc. v. Local Publications, Inc.*, 208 U.S.P.Q. 257, 258 (D. Mont. 1979).

The inapplicability of the fair use defense is also apparent from an analysis of the statutory factors codified in Section 107. The first statutory factor of fair use focuses on "the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes." 17 U.S.C. §107(1) (1976). It is well established that a commercial use is presumptively unfair. *Harper & Row*, 471 U.S. at 562 ("[T]he fact that a publication was commercial as opposed to nonprofit is a separate factor that tends to weigh against a finding of fair use."); *Sony*, 464 U.S. at 451 ("every commercial use of the copyrighted material is presumptively an unfair exploitation of the monopoly privilege that belongs to the owner of the copyright"). Here, Feist's sole purpose for the use it made of Rural's directory was commercial in that the substantial copying was made to prepare a directly competing directory. Although Feist argues that the commercial nature of its use applied to yellow pages advertising revenue, the crux of the profit/nonprofit test is whether Feist stood to profit from its exploitation of the copyrighted Rural directory, which it clearly did.

The second fair use factor is "the nature of the copyrighted work." 17 U.S.C. §107(2) (1976). The legislative history and the case law dealing with this factor are sparse. *Sony Corp. of America v. University City Studios, Inc.*, 659 F.2d 963, 972 (9th Cir. 1981), *rev'd on other*

grounds, 464 U.S. 417 (1984). The court in *Southern Bell Tel. & Tel. Co. v. Associated Tel. Directory Publishers*, 756 F.2d 801 (11th Cir. 1985), considered this second factor in depth in the context of telephone directories and concluded that the nature of the copyrighted work did not excuse the defendant's copying. With respect to this factor, the court stated:

While the opportunity to use the fair use defense for copying research is broad, the opportunity to use that defense is narrow once the research is selected and arranged into a compilation and is copied.

Id. at 810-11. See *BellSouth Advertising & Publishing Corp. v. Donnelley Information Publishing, Inc.*, 719 F. Supp. 1551, 1560-61 (S.D. Fla. 1988), appeal docketed, No. 89-5131 (11th Cir. February 6, 1989).

The third factor of fair use is "the amount and the substantiality of the portion used in relation to the copyrighted work as a whole." 17 U.S.C. §107(3) (1976). The fair use defense was intended to permit only relatively insubstantial uses of portions of a copyrighted work for purposes such as criticism, comment, or news reporting. In no event, does it constitute fair use if, as in the present case, virtually the entire work is copied. 3 M. Nimmer & D. Nimmer, *Nimmer On Copyright*, §13.05[A][3] at 13-80 (1990); *Harper & Row*, 471 U.S. at 565; *Walt Disney Productions v. Air Pirates*, 581 F.2d 751, 756 (9th Cir. 1978), cert. denied, 439 U.S. 1132 (1979); *Meeropol v. Nizer*, 560 F.2d 1061, 1070 (2d Cir. 1977), cert. denied, 434 U.S. 1013 (1978); *Rosemont Enters., Inc. v. Random House, Inc.*, 366 F.2d 303, 310 (2d Cir. 1966), cert. denied, 385 U.S. 1009 (1967). As stated previously, in copying Rural's copyrighted directory into its computer database, Feist admittedly copied 4,935 listings from that directory. Such substantial copying of a copyrighted work certainly does not satisfy this factor of fair use. *Sony*, 464 U.S. at 450.

The final statutory factor of fair use is "the effect of the use upon the potential market for or value of the

copyrighted work." 17 U.S.C. §107(4) (1976). As this Court explained in *Harper & Row*,

[T]o negate fair use one need only show that if the challenged use "should become widespread, it would adversely affect the potential market for the copyrighted work." *Sony Corp. of America v. Universal City Studios, Inc.*, 464 U.S., at 451, 104 S.Ct., at 793, (emphasis added); *id.* at 484, and n. 36, 104 S.Ct. at 810, and n.36 (collecting cases) (dissenting opinion). This inquiry must take account not only of harm to the original but also of harm to the market for derivative works. See *Iowa State University Research Foundation, Inc. v. American Broadcasting Cos.*, 621 F.2d 57, (CA 2 1980); *Meeropol v. Nizer*, *supra*, at 1070; *Roy Export v. Columbia Broadcasting System, Inc.*, 503 F. Supp. at 1146. "If the defendant's work adversely affects the value of any of the rights in the copyrighted work . . . the use is not fair." 3 Nimmer §13.05[B] at 13-77-13-78 (footnote omitted).

471 U.S. at 568 (emphasis in original). This factor becomes important only when the use is for non-commercial or non-profit purposes; when the use is for commercial purposes, as in this case, harm to the potential market for the copyrighted work is presumed. *Sony*, 464 U.S. at 451. Since Feist failed to produce any evidence of lack of harm to the potential market for the copyrighted work, this presumption should be conclusive.

As demonstrated in the amicus briefs filed on behalf of Feist, there is obviously a potential market for computer databases and other works based on Rural's copyrighted directory. These computer databases constitute derivative works based on the Rural copyrighted directory. Under the 1976 Copyright Act, Rural is entitled to the exclusive right to prepare such derivative works. 17 U.S.C. § 106(2) (1976). Should Rural decide to distribute these derivative works, Feist's unlawful copying of Rural's copyrighted directories to produce its own computer databases would inhibit, or effectively prohibit,

Rural from establishing a market for its computer databases. Feist's copying activity seriously undermines the potential market for derivative works based on Rural's copyrighted directory.

CONCLUSION

An original work of authorship which is created by the compiling of preexisting factual material from numerous sources is valuable because of the collecting, assembling, selecting, coordinating and arranging of that material for publication in a compilation. Such a work must be provided with a meaningful degree of protection lest the incentive to create compilations be destroyed. The result argued by Feist would not provide any meaningful protection for compilations and is contrary to many decades of decisions to the contrary and the legislative history for the Copyright Act. The Copyright Law was not intended to permit the plundering of copyrightable compilations, such as telephone directories, computer databases and the like. The decision below should be affirmed.

Respectfully submitted,

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Supreme Court, U.S.
FILED

DEC 27 1990

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**IN THE
SUPREME COURT OF THE UNITED STATES
OCTOBER TERM, 1990**

FEIST PUBLICATIONS, INC.,
Petitioner

v.

RURAL TELEPHONE SERVICE COMPANY, INC.,
Respondent

**ON WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS
FOR THE TENTH CIRCUIT**

REPLY BRIEF FOR PETITIONER

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ON WRIT OF CERTIORARI TO THE
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THE TENTH CIRCUIT

REPLY BRIEF FOR PETITIONER

Petitioner, Feist Publications, Inc. ("Feist"), respectfully submits this brief in reply to the briefs filed for and in support of Respondent, Rural Telephone Service Company, Inc. ("RTSC").

REPLY STATEMENT OF THE CASE

A. The Facts this Case Does *Not* Involve.

This case does *not* involve copying of RTSC's directory *as a whole* (or any copyrightable aspect thereof). This case involves only white page listings (name, address, and telephone number) contained in the telephone company's directory. While the briefs of RTSC and its *amici* are quite vague and at times inaccurate in their description of the facts of the case, there is no claim, nor any basis for a claim, that Feist copied or used anything other than names, addresses, and telephone numbers. (See J.A. 9, Complaint ¶1 "listings.") This case does *not* involve *all* compilations, *nor* does it involve data bases, *nor* the telephone directory as a whole.

B. The Facts this Case Does Involve.

This case involves two telephone directories as published by RTSC and Feist. Those directories are on file herein with the Clerk (See Exhibits 2 and 3 to Complaint, R. 1, Separate Folio). Both directories contain forward text, white page listings (name, address, and telephone number), and a section of yellow page advertising. RTSC's directory additionally contains a second white page section containing white page listings (name, address, and telephone number) which RTSC licensed from other phone companies. Feist's directory additionally contains red pages of community maps and blue pages of government and school listings. This case involves *only* the white page listings in the first section of RTSC's directory, nothing more.

Examination of Exhibits 2 and 3 clearly reveals that Feist's directory is not a copy of RTSC's directory. The only potential facts which Feist could have copied from RTSC's directory are 4,935 white page listings which are from exchanges serviced by RTSC and which are included in Feist's directory. Of the 4,935 overlapping listings, 3,626 differ.¹

Feist used no information from RTSC's forward text, yellow pages, or the second set of white pages included by RTSC in its directory. Feist used only white page listing information from the first white page section of RTSC's directory. The 4,935 listings from RTSC's exchange areas are alphabetically interfiled in the Feist directory with 40,000 other listings from the entire northwest corner of Kansas.

SUMMARY OF THE ARGUMENT IN REPLY

RTSC and its *amici* contend that basic preexisting factual data—names, addresses, and telephone numbers—collected

1. Respondent's Brief ("Resp. Br."), p. 3, asserts that "3,879 or 78 percent of the copied listings appeared unchanged in the Feist directory." That assertion is without support from the record. See J.A. 54, ¶16; J.A. 57. (RTSC also asserts that Feist included "several of the fictitious listings." The record shows *four* of 28 fictitious listings were included by Feist. J.A., p. 53, ¶10.)

by a telephone company in the course of its business and assembled in alphabetical sequence in a generic and unoriginal format, cease to be public domain material upon publication in the white pages of RTSC's telephone directory. The contention is based on at least three incorrect propositions.

First, from the conceded premise that RTSC's combined forward text, white pages, and yellow pages directory is copyrightable *as a whole*, RTSC urges the conclusion that everything in the directory is copyrightable material protected by the compilation copyright. That is basically the reasoning followed and conclusion reached by the courts below. However, the absolute monopoly advocated by RTSC and its *amici* is unconstitutionally more inclusive than the limited copyright monopoly conferred upon a "compilation" by the 1976 Copyright Act. [17 USC §§101, 103(b).]

Second, after making the necessary concession that the 1976 Copyright Act governs this case, RTSC erroneously contends that the analysis and conclusion it seeks to defend not only can be harmonized with the statute, but indeed were adopted by it. However, RTSC cannot show any copyrightable selection, coordination, or arrangement in the alphabetical publication of its entire universe of data. In addition, the "sweat of the brow" cases relied upon by RTSC cannot be reconciled with the 1976 Act, and the scattered and tangential bits of legislative history cited by RTSC provide no basis at all for disregarding the plain language of the statute. [Patry, *Copyright in Compilation of Facts (Or Why the 'White Pages' Are Not Copyrightable)*, 12 Comm. & Law 37 (Dec. 1990) ("Patry article").]

Finally, while urging the Court to restrict its reading of recent precedents to those involving telephone directories only, RTSC and its *amici* argue that the Court should refrain from treating RTSC's unselective alphabetical list of names, addresses, and telephone numbers as uncopyrightable material because to do so would adversely affect unidentified interests in other undescribed compilations and "databases." However, this case concerns only the names, addresses, and telephone number published in the white pages of RTSC's

generic telephone directory, which are uncopyrightable, public domain facts [17 USC §102(b).]

From these propositions, RTSC ultimately urges this Court to adopt a minority view of the courts below which exempts telephone directories from the general constitutional and statutory law of copyright. The 1976 Copyright Act permits no such exemption. The plain language of the 1976 Copyright Act forecloses RTSC's arguments and compels the reversal of the decision of the courts below.

ARGUMENT

A. Any copyright in a telephone directory compilation as a whole, does not extend to the white page listing facts (name, address and telephone number) contained therein.

1. The issue here is not whether telephone directories as a whole are copyrightable, but rather whether the facts (name, address and telephone number) in the white pages thereof are copyrightable.

RTSC argues that "a compilation of names, addresses, and telephone numbers constitutes copyrightable subject matter." (Resp. Br. 9.) That is correct if the compilation meets the statutory definition of a compilation as contained in 17 USC §101. However, without the required statutory analysis, RTSC simply jumps to the conclusion that since *telephone directories* are compilations (in the ordinary sense of the term), therefore, *telephone directories* are copyrightable "compilations" as that term is specifically defined in the 1976 Copyright Act. That is incorrect—in logic, the fallacy of the undistributed middle. Telephone directories may be compilations, copyrightable *as a whole* under the statute if they meet the statutory definition contained in 17 USC §101. However, that is not the issue here. The issue here is whether the facts (name, address, and telephone number) contained in RTSC's white page listings are copyrightable. As this Court has said

in *Harper & Row v. Nation Enterprises*, 471 U.S. 539, 548 (1985):

...copyright does not prevent subsequent users from copying from a prior author's work those constituent elements that are not original—for example...facts, or materials in the public domain...

Any copyright in RTSC's combined forward text, white pages, and yellow pages directory *as a whole* does not mean everything in the directory is copyrightable material. For example, in *Harper House, Inc. v. Thomas Nelson, Inc.*, 889 F.2d 197, 205 (9th Cir. 1989) Chief Judge Goodwin noted that as copyrightable compilations, the plaintiff's organizers' "selection, coordination, and arrangement" were protectable, but the blank forms and common property contained within the organizers were excluded from protection.²

RTSC also attempts to read the authorship requirement out of the law by collapsing it into the related but distinct requirement of originality. RTSC asserts that its directories are copyrightable because they are original, i.e. not copied from another source. However, this is not enough; copyright subsists not in all original works but in "original works of authorship," 17 USC §102(a). See also U.S. Const., art. 8, cl. 8, § 8; "writings" of "authors." Confusion sometimes arises from the fact that "originality" is used as shorthand for "original works of authorship," a phrase that incorporates the requirement both of non-copying and authorship.

RTSC concedes that "anyone may discover for themselves and publish" the names, addresses, and telephone numbers of RTSC's subscribers. (Resp. Br. 24) RTSC and its *amici* (e.g., West Pub. 14) contend that the copyright law prohibits that discovery from being made by reference to RTSC's directory. However, this Court has made clear in *Harper & Row* that the constitutional prohibition on copyright protection

2. The case was returned for proper jury instructions since the jury may have found defendants infringed the plaintiff's copyright based upon the direct copying of such unprotected material, and not based upon copying of the "selection, coordination, or arrangement" of the organizers. Feist submits that is exactly the erroneous basis of the decisions below with regard to Feist's "copying."

of facts means more than just the right to consult the same sources as were used by the prior compiler. Copying of facts "from a prior author's work" is clearly permissible. *Harper & Row*, 471 U.S. at 548.

2. RTSC merges all of the statutory 17 USC §101 and argues that any collection of data is necessarily a selection of that data.

RTSC tries to "blur" the statute by merging all the statutory criteria into one disjunctive phrase. e.g., "the author independently collected, assembled, selected, coordinated, or arranged preexisting individual listing information into a directory." (Resp. Br. 5.) That is not what the statute says. The statute (17 USC §101) calls for (1) "collection and assembling of preexisting materials or data" that are (2) "selected, coordinated, or arranged" in such a way that (3) the "resulting work as a whole constitutes an original work of authorship." The statute requires all three in the conjunctive.³

RTSC attempts to make collection and assembling the equivalent of selection, coordination, or arrangement. "There can be no doubt that the gathering together of the particular material that is placed in a telephone directory involves collection, assembly, selection, coordination, and arrangement as those terms are used in the 1976 Act." (Resp. Br. 18.) This is nothing more than the "sweat of the brow" test rephrased. Gathering material is labor, just as collecting and assembling data is labor. Authorship also requires selection, coordination, or arrangement. Since RTSC has admitted the sweat of the brow theory is incorrect,⁴ its reargument of the theory under the name "gathering" must be rejected.

3. *Amici West, Ameritech, et al*, and Bell South also attempt to blur all the factors together into a disjunctive rather than conjunctive reading.

4. See Resp. Br. 32: "[L]abor, apart from the requisite selection, coordination, or arrangement is not sufficient to justify copyright protection—a claim not disputed by Rural."

3. RTSC's white pages compilation does not meet the statutory criteria of "selection, coordination or arrangement" required for authorship.

The term "selection" refers to the exercise of judgment in deciding which items to take from a given universe of data. *Patry* article p. 57. RTSC attempts to meet the statutory criteria of §101 for "selection" by enumerating as "selection" things it could have done, but did not. (Resp. Br. 18.) For example, how much data to include within each listing—RTSC printed name, address, and telephone number; whether to include middle names and initials—RTSC included some and excluded others, obviously printing the listing simply the way the subscriber signed up for phone service; whether to segregate residential, business, or government listings—RTSC put all the listings together; whether to include street address—RTSC included some; whether to arrange by towns or as one combined directory—RTSC listed all its listings together; and the closing date and geographical scope of the directory—RTSC published the directory once a year as required under Kansas law and covered its entire exchange area.

The claim that RTSC *could have* done some type of selection but did not hardly makes RTSC an author.⁵ RTSC simply published an alphabetical list of all its subscribers. According copyright protection to a compilation "based on the decision to include all data would effectively grant copyright to the mere idea of such a compilation, in contravention of the

5. The crux of RTSC's selection argument is that whatever RTSC did was an "act of selection." (Resp. Br. 18, fn 10). An act of selection is simply another way of saying *labor*, which is not authorship. This selection argument was not made in the courts below and there is no evidence in the record to support the claim that RTSC made any decisions of this sort or ever considered producing anything other than the generic telephone book that appears in the record. See *New York Times Co. v. Roxbury Data Interface, Inc.* 434 F.Supp 217, 222 n. 2 (D.N.J. 1977). "The compilation of a telephone directory requires the compiler only to ascertain the fact of telephone subscribership; the compiler is not required to make any significant subjective judgment."

important limitation on protection for all works of authorship contained in §102(b) of the Copyright Act." *Patry* article, p. 59.

According to the Copyright Office "arrangement or coordination" refers "to the ordering or grouping of data into lists or categories that go beyond the mere mechanical grouping of data as such, for example, the alphabetical, chronological, or sequential listings of data." *Guidelines for Registration of Fact Based Compilations* at 1 (Rev. Oct. 11, 1989) quoted in *Patry* article, p. 60. RTSC's directory provides for no ordering or grouping of its listings. It is simply an alphabetical list of all its subscribers.

Any potential "selection, coordination, or arrangement" by RTSC of its directory is not a factor which was copied in any manner by Feist. The arrangement and content of Feist's directory differs significantly from RTSC's. If RTSC and its *amici* are arguing that the alphabetical listing of a name followed by an address and a telephone number is an "arrangement" which has been copied, the answer is no. The RTSC listings are interfiled with 40,000 other listings. The name, address, telephone number sequence of a listing is simply the way a telephone directory is arranged. That arrangement is not copyrightable. *Cooling Systems*, 777 F.2d at 492. The "idea" of a telephone directory is also not copyrightable. 17 USC §102(b).⁶

Amici Ameritech, et al., and West both argue that the alphabetical listing of all of RTSC's listings somehow involves more coordination or arrangement than listing of a portion. *Amicus West*, by way of example, argues that there is more authorship in a list of all the military battles that occurred in recorded time as opposed to a list of those battles which the compiler deems "most decisive" in world history. This ignores the statute entirely. The person listing all the battles in recorded time is not an "author." He is a laborer; he has only "collected and assembled." The person making a selection as

6. See also *Patry* article, p. 59, "the functional or commercial constraints that adversely affect the compiler's discretion may limit or even bar protection."

to the most decisive is the "author." See *Eckes v. Card Prices Update*, 736 F.3d 859 (2nd Cr. 1984) ("*Eckes*").⁷

B. Preexisting data may be copied from a copyrighted compilation pursuant to 17 USC §103 (b).

RTSC and its *amici* also argue that 17 USC §103(b) which requires preexisting material in a copyrightable compilation to remain available to later compilers does not apply here, either because it was not intended to apply by Congress or because it covers only preexisting *materials* and not *data*. That reading would make §103(b) mere surplusage as applied to compilations since, by definition, public domain facts and data are freely available to all who would use them. 17 USC §102. In addition, *amicus Ameritech, et al's*, argument that §103(b) only applies to preexisting *material* and not *data* is disposed of by RTSC's admission that it "collect[ed] and assemble[d] preexisting *material*." (Resp. Br. 17.)

Section 103(b) requires that a distinction be drawn between the unprotectable "preexisting material employed in the work" (the names, addresses and telephone numbers of subscribers) and the protectable "material contributed by the author" (original selection, coordination, or arrangement) if there is any.

Section 103(b) explicitly applies to compilations and is not mere surplusage. Consistent with this Court's holding in *Harper & Row*, it states that only the original authorship in a compilation of preexisting materials (i.e., original selection, coordination, or arrangement of preexisting facts or data) is

7. It is hard to comprehend RTSC's choice of *Eckes* as its authority on this issue. (Resp. Br. 35 n. 20.) In *Eckes*, the Second Circuit's finding of copyrightability was based not on the inclusion in the compilation of the universe of all 18,000 baseball cards manufactured from 1909 to 1979, but on the compiler's selection of 5,000 of these cards as "premium" cards. As RTSC recognizes, the court specifically found that the compiler "exercised selection, creativity and judgment" in making this choice. 736 F.2d at 863. It did not, however, hold that copyright would be available for a comprehensive directory of all baseball cards, regardless of the directory's value to collectors or the amount of investment required.

protected by a compilation copyright; the preexisting facts or data themselves may be discovered in and copied from the compilation without infringing the copyright.

C. Copyright does not preclude all copying from a copyrighted work, but rather protects only against substantial copying of original expression.

The *amici* herein misconstrue the substantial similarity doctrine. RTSC and its *amici* argue that mere proof of "copying" is sufficient to support the decision below, quoting 3 M. & D. Nimmer, *Nimmer on Copyright*, §13.01 at 13-4 ("Nimmer"). This confuses proof of "copying" with proof of infringement and cites *Nimmer* out of context.

The standard test for copyright infringement requires a plaintiff to prove not only that the defendant used or "copied from" plaintiff's copyrighted work, but that the copying amounted to an "improper appropriation" of plaintiff's protected expression. "Ordinarily, wrongful appropriation is shown by proving a 'substantial similarity' of copyrightable expression." *Hoehling v. Universal City Studios, Inc.*, 618 F.2d 972, 977 (2nd Cir.), *cert. denied*, 449 U.S. 841 (1980). See also Patry, *Latman's The Copyright Law*, 196-197 (6th ed. 1986) ("Patry") (a plaintiff must establish that what was taken from the copyrighted work is "substantial and material...to constitute an unlawful appropriation [of the plaintiff's copyrightable expression], i.e., that the works are 'substantially similar'"); *Universal Athletic Sales Co. v. Salkeld*, 511 F.2d 904, 907, 908 (3rd Cir.), *cert. denied*, 423 U.S. 863 (1975) (a defendant's admitted copying does not answer the question of whether the parties' works were substantially similar in expression.)⁸

8. The Third Circuit in *Salkeld* clarified the point upon which RTSC and its *amici* are confused; namely, that "substantial similarity to show that the original work has been copied is not the same as substantial similarity to prove infringement." 511 F.2d at 907. See also, Patry, 193 & n. 18 (discussing dual usage of phrase "substantial similarity" to describe "both that type of similarity used to establish indirect proof of copying and that necessary to establish a *prima facie* case of infringement.")

The efforts of RTSC and its *amici* to avoid the infringement analysis required under the substantial similarity test are understandable: Courts have strictly applied the test in the context of factual works and have found no infringement where only data, as opposed to copyrightable expression, have been copied. In *Landsberg v. Scrabble Crossword Game Players, Inc.*, 736 F.2d 485, 488 (9th Cir.), *cert. denied*, 469 U.S. 1037 (1984), for example, the Ninth Circuit (Judge Goodwin) held that because of the "narrow range of expression" available to authors of fact works, "...similarity of expression may have to amount to verbatim reproduction or very close paraphrasing before a factual work will be deemed infringed." Similarly, in *Cooling Systems and Flexibles v. Stuart Radiator*, 777 F.2d 485, 492 (9th Cir. 1985), the court held that "the authors of a factual work ultimately must show that what has been taken from his expression is something more than what 'must unavoidably be produced by anyone who wishes to use and restate' the facts that form the greater part of the work."

When juxtaposed with the "sweat of the brow" jurisprudence upon which RTSC and the *amici* rely, these cases demonstrate the anomalous trend in the minority circuits to provide telephone directories more extensive copyright protection than other fact works despite the absence of any statutory basis for such disparate treatment.⁹

The record here contains ample evidence that Feist's AREA-WIDE directory bears no "substantial similarity" to RTSC's telephone directory.

D. The "sweat of the brow" doctrine cannot be reconciled with the 1976 Act and was not adopted by or approved in any manner by the Act.

9. Compare *Illinois Bell Tel. Co. v. Haines and Co., Inc.*, 905 F.2d 1081, 1086 (7th Cir. 1990), finding infringement where compiler copied white pages listings without conducting independent canvass, with *Nash v. CBS, Inc.*, 899 F.2d 1537, 1542-43 (7th Cir. 1990), "Copyright law does not protect hard work (divorced from expression)... in an author's research of book; others may freely use his work"...as a source of facts and ideas.

After admitting "sweat of the brow" does not apply, RTSC and its *amici*, nevertheless, spend most of their argument defending the "sweat of the brow" cases, i.e. *Jeweler's Circular Pub. Co. v. Keystone Pub. Co.*, 281 F.83 (2nd Cir.), cert. denied, 259 U.S. 581 (1922) ("*Jeweler's Circular*") and *Leon v. Pac. Tel. & Tel.*, 91 F.2d 484 (9th Cir. 1937) ("*Leon*"), and the "sweat of the brow" law review article, Denicola, *Copyright in a Collection of Facts: A Theory for the Protection of Non Fiction Literary Works*, 81 Colum. L. Rev. 516 (1981) ("*Denicola*").

Denicola's theory¹⁰ was noted in the Second Circuit case of *Financial Information, Inc. v. Moody's Investors Service, Inc.*, 751 F.2d 501, 506 (1984). There the district court had upheld copyrightability holding that FII (Plaintiff, Financial Information, Inc.) was unquestionably "assembling, connecting, and categorizing disparate facts" and the FII employees who put together the daily call bond service "assemble into one handy compilation disparate information about thousands of calls." The Second Circuit did acknowledge that this theory had the support of at least one commentator, *Denicola*. Nevertheless, as Judge Oakes instructed, there is "now updated Second Circuit precedent to be taken into account," citing *Eckes*. Judge Newman, in concurring, held that the work may receive a valid copyright only if something has been added to the data; the "authorship of the compiler in making the requisite selection, coordination, or arrangement of the data." Judge Newman also noted that the fact some language in *Jeweler's Circular* and *Leon* supported a different view "is no reason for us to disregard the statutory criteria that Congress articulated in 1976 when it enacted the current statute. The 'sweat of the brow' rationale is no substitute for meeting one of those statutory criteria." (751 F.2d at 510.)

10. *Denicola* finds authorship in the collection of data. Perhaps revealingly, Resp. Br. 33 inserts the word "[selection]" immediately following the word "collection" in a quote from the *Denicola* article. That is not a portion of the quote, but obviously is Respondent's admission that the statutory criteria—selection—controls. *Denicola's* "sweat of the brow" article is criticized in Patry, *Copyright and the Collection of Facts: A Reply*, 6 Comm. and Law 11 (Oct. 1984).

On remand the district court found there was insufficient proof of independent creation to render the bond cards copyrightable. As noted by Judge Lumbard on the second appeal, "The researchers has five facts to fill in on each card—nothing more and nothing less." They sometimes did minor additional research in order to find these facts, but little "independent creation" was involved. (808 F.2d 204, 208.) Similarly here, all Feist used from RTSC's compilation were the white page listings—three facts: name, address, and telephone number, "nothing more and nothing less."

With regard to RTSC's and its *amici's* heavy reliance on *Leon* and *Jeweler's Circular*, it is significant to note a point RTSC and its *amici* fail to reveal to this Court. That is, the very Circuits which decided *Leon* and *Jeweler's Circular*, the Ninth and the Second, have both disavowed them since the 1976 Act. See *Worth v. Selchow & Righter Co.*, 827 F.2d 569, 573 (9th Cir. 1987); *Financial Information, Inc. v. Moody's Investors Service, Inc.*, 751 F.2d 501, 505-6, 510 (2nd Cir. 1984). Both the Second and Ninth Circuits, which hear the majority of the copyright cases in this country, have turned away from those early copyright decisions. This Court should instruct the other Circuits to likewise follow the statutory rationale.¹¹

1. The "Legislative History" cited by RTSC as supporting "sweat of the brow" does not.

RTSC and its *amici* ask this court to make a great leap of faith: because Congress stated its intention to continue the preexisting general standard of originality, therefore it must have intended to continue all preexisting case law on every aspect of the subject of copyrightability, including compilations. (See e.g. West Br. p. 12 n. 7). This additional intent is to be read into legislative history despite the utter absence of any reference to the issue, and despite the enactment of explicit

11. Lower courts have previously misconstrued other provisions of the 1976 Act as continuing prior law. See *Community for Creative Non-Violence v. Reid*, 109 S.Ct. 2166 (1989), cited in the Patry article, p. 50.

statutory language negating the availability of protection for the "sweat of the brow" alone.

In its attempt to bolster this unorthodox statutory interpretation, RTSC lists the very few references to *Leon* or *Jeweler's Circular* it could find in 15 years of background materials amassed in connection with the revision process that led to the 1976 Act. Not one of these references was made by Congress or the Copyright Office (the principal drafter of the Act).

For example, RTSC submits that in adopting the 1976 Act "the operative language from *Jeweler's Circular* was approved" by Congress. (Resp. Br. 29). The citation to *Copyright Law Revision: Studies Prepared for the Subcomm. on Patents, Trademarks & Copyrights of the Senate Comm. on the Judiciary*, 86th Cong., 1st Sess. Part 1 at 86 (Comm. Print 1960) does not, however, support that statement. In the forward to those studies, page IV, Congress states:

It should be clearly understood that in publishing these studies the subcommittee does not signify its acceptance or approval of any statements therein. The views expressed in the studies are solely those of the authors.

RTSC's citation is from Study No. 3 prepared by the staff members of NYU Law Review. (See p. 61 of the Studies.) Even the *Jeweler's Circular* quote at p. 86 is prefaced with "Interestingly, one court stated..." hardly an approval even by the law students.

The remaining legislative history authorities cited by RTSC (Resp. Br. 29) are from *testimony* or *letters* from Ralph Dwan, John Schulman, and Paul Zurkowski, none of whom were Congressmen or Senators.

The CONTU citation (Resp. Br. 29, 30) is also of no assistance to RTSC. See *Whelan Associates v. Jaslow Dental Laboratory*, 797 F.2d 1222, 1241 (3rd Cir. 1986), *cert. denied*, 479 U.S. 1031 (1987): CONTU's statements on Section 102(b) are not authoritative, because "there is no sense in which [CONTU's report] represents the will of Congress with respect to provisions not amended in response to the Report." Here neither the compilation definition of §101 nor the

preexisting materials provision of §103(b) were amended in response to the CONTU Report.

Commission Reports, studies, testimony and letters are not Legislative History. The actual Legislative History is detailed in the *Patry* article, pp 45-48 in general and pp 52-57 specifically, regarding compilations. *Patry* concludes that Congress did not intend to continue prior "sweat of the brow" decisions under the 1976 Act. See p. 49 fn 46, *Patry* article.

E. The additional arguments of RTSC and its amici concerning economic incentives and unidentified interests in other undisclosed compilations and databases are simply aimed at eliminating competition, not at determining intellectual copyright provisions.

RTSC and its amici argue that this Court should refrain from treating RTSC's white page list as uncopyrightable material because to do so would adversely affect unidentified interests in other undescribed compilations and "databases." Interestingly though, the only discussion of these affects by way of a specific example of a compilation or database affected is by *amicus* United States Telephone Association (USTA Br. 10). That discussion concerns the public being deprived of airline flight schedules. What *amicus* fails to point out in its example is that Feist, not RTSC, would be in the position of the compiler there. RTSC would be in the position of the airline. Wouldn't the airline want its schedule published widely to facilitate use of its flights?

Likewise, "telephone directories serve as a means by which use of the telephone is facilitated." (USTA Br. 2). If copyright law is intended to benefit the public by allowing access to information, *Harper & Row*, p. 546, citing *Sony Corp v. Universal City Studios*, 464 U.S. 417, 429, 477 (1984), and if telephone directories facilitate phone usage, wouldn't RTSC want listings published widely to facilitate use of its phone lines?

The obvious answer to this question should dispose of RTSC and its amici's argument that without the economic

incentive of copyright, phone companies may take "less care," [and less] "vigor and thoroughness" in compiling telephone directories. (See *Ameritech, et al* 18, Resp. Br. 37 fn 21.) In fact, the entire economic incentive argument is further refuted in this case since the regulatory obligation to produce a telephone directory confers upon the telephone company a constitutional entitlement to just and reasonable compensation for its investment in the directory. Economic incentive should not be relevant here.

The issue is not whether it would be desirable to protect the compiler's labor or investment, but whether Congress has done so. Congress plainly has not.

(*Patry* article 64-65.)

The candid answer to the question has been anticipated in the concern expressed by one scholar:

Of particular concern is the apparent use of claims of copyright in the white pages not to vindicate intellectual property rights, but rather to eliminate competition for yellow page advertisers.

(*Patry* article, p. 40).

This Court should not allow copyright to be used in such a manner.

CONCLUSION

The decisions below should be reversed and judgment entered for Feist.

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IN THE
Supreme Court of the United States

OCTOBER TERM, 1989

FEIST PUBLICATIONS, INC.,
v. *Petitioner,*

RURAL TELEPHONE SERVICE COMPANY, INC.,
Respondent.

On Petition for Writ of Certiorari to the
United States Court of Appeals
for the Tenth Circuit

**MOTION FOR LEAVE TO FILE BRIEF *AMICI CURIAE*
AND BRIEF OF THE ASSOCIATION OF
NORTH AMERICAN DIRECTORY PUBLISHERS
AND THE DIRECTORY PUBLISHERS ASSOCIATION
AS *AMICI CURIAE* IN SUPPORT OF PETITIONER
FEIST PUBLICATIONS, INC.**

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MOTION FOR LEAVE TO FILE BRIEF *AMICI CURIAE*

The Association of North American Directory Publishers and the Directory Publishers Association ("the Associations") hereby respectfully move for leave to file the attached brief as *amici curiae* in this case. The consent of the attorney for the Petitioner, Feist Publications, Inc. ("Feist"), has been obtained.* The consent of the attorney for the Respondent, Rural Telephone Service Company, Inc. ("Rural Telephone"), was requested but refused.

The interests of the Associations in this case arise from the fact that local telephone companies, like Rural Telephone, are the only practical source of name, address, and telephone number fact information for the Associations' members, who publish and distribute independent telephone directories throughout the country. The Tenth Circuit's holding here adopts a controversial minority view, previously shared by the Seventh and Eighth Circuits, of the correct scope of copyright protection in fact compila-

* The written consent of Petitioner is being filed with the Clerk of the Court contemporaneously herewith.

tions such as telephone directories. That standard, commonly known as the "sweat of the brow" doctrine, conflicts with the approach taken by other circuits, including the Second, Fourth, Fifth, Ninth, and Eleventh, which adhere more closely to the plain language of the Copyright Act in analyzing the scope of copyright protection. Because the Associations' members must order their business practices to comply with the copyright laws, they are vitally interested in a resolution by this Court of the correct approach to copyright in fact compilations such as telephone directories.

Petitioner, Feist, has argued a number of issues supporting grant of *certiorari* in this case and only briefly discussed the split of authority among the circuits. The brief that the Associations are requesting permission to file as *amici curiae* focuses exclusively on this issue and contains a more complete argument of the correct scope of copyright protection in compilations. If this argument were accepted, it would be dispositive of this case.

Respectfully submitted,

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Dated: 28 June 1990

QUESTION PRESENTED

The Associations fully support each of the arguments made by Feist in its Petition and incorporate those arguments as if fully set forth herein. In the interest of brevity, this brief focuses on the issue that is of overriding significance to the independent telephone directory publication industry, namely:

Whether a copyright on a compilation of preexisting factual data published in the form of a directory is a proper basis for the copyright owner to claim a property right in the data, so as to preclude the use of the data by others, in light of the statutory admonition that "[t]he copyright in a compilation . . . does not imply any exclusive right in the preexisting material," 17 U.S.C. § 103(b), and the fact that "[c]opyright does not preclude others from using the ideas or information revealed by the author's work." H.R. Rep. No. 1476, 94th Cong., 2d Sess. 56, *reprinted in* 1976 U.S. Code Cong. & Admin. News 5659, 5670.

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IN THE
Supreme Court of the United States

OCTOBER TERM, 1989

No. 89-1909

FEIST PUBLICATIONS, INC.,
Petitioner,
v.
RURAL TELEPHONE SERVICE COMPANY, INC.,
Respondent.

On Petition for Writ of Certiorari to the
United States Court of Appeals
for the Tenth Circuit

**BRIEF OF THE ASSOCIATION OF
NORTH AMERICAN DIRECTORY PUBLISHERS
AND THE DIRECTORY PUBLISHERS ASSOCIATION
AS AMICI CURIAE IN SUPPORT OF PETITIONER
FEIST PUBLICATIONS, INC.**

PRELIMINARY STATEMENT

The Association of North American Directory Publishers and the Directory Publishers Association ("the Associations") submit this brief as *amici curiae*, pursuant to Rule 36.1 of the Rules of this Court, in support of Petitioner, Feist Publications, Inc. ("Feist").

INTEREST OF THE ASSOCIATIONS AS AMICI CURIAE

The Associations are international trade associations comprised of over 100 publishers of telephone directories. The Associations' members publish "independent" telephone directories, i.e., directories other than those pub-

lished by or for local telephone companies. The Associations have extensive industry knowledge that is the product of the collective experience of their members in the United States and abroad.

The issues involved in this case transcend the interests of the parties and are of particular importance for the proper administration of the law of copyright and, therefore, to the Associations and their members. The opinion below adopts as the law of the Tenth Circuit, in lieu of the constitutional and statutory requirement of authorship, a controversial minority view of the correct scope of copyright protection in fact compilations such as telephone directories, commonly known as the "sweat of the brow" doctrine. The application of this doctrine goes far towards granting the telephone companies with which the Associations' members compete an exclusive property right in the names, addresses, and telephone numbers of their subscribers. The "sweat of the brow" doctrine predates and contradicts the plain language of the 1976 Copyright Act, which specifically grants copyright protection only to an "original work of authorship." 17 U.S.C. § 102(a). While a telephone directory as a whole is a copyrightable work of authorship by reason of Section 103(b) of the Act, that same section excludes from copyright protection that portion of the compilation comprising such preexisting facts as names, addresses, and telephone numbers. 17 U.S.C. § 103(b).

The holding below demonstrates the uncontrolled and illogical expansion of copyright protection that has occurred in those circuits that have adopted a "sweat of the brow" analysis in cases involving copyrights in fact compilations. If allowed to stand, the decision will suggest to local monopoly telephone companies that they may control the dissemination and uses of a substantial body of basic, uncopyrightable fact information to the exclusion of the Associations' members and all others.

In light of the fundamental differences among the circuits in their approach to copyright in compilations such as telephone directories, the Associations' members are significantly handicapped in conducting their business operations in those jurisdictions that have adopted the minority "sweat of the brow" doctrine.

STATEMENT OF THE CASE

Respondent, Rural Telephone Service Company, Inc. ("Rural Telephone"), is a telephone company granted monopoly status to provide telephone service to subscribers in certain areas of Kansas. Like most telephone companies, Rural Telephone is required by regulation annually to publish a telephone directory for the area in which it provides telephone service.¹ As is typical of telephone directories, Rural Telephone's directory includes an alphabetical list of the names, addresses, and telephone numbers of the company's telephone subscribers printed on white paper (the "white pages") and a separate list of business subscribers and classified advertisements, organized by descriptive business classifications, printed on yellow paper (the "yellow pages").

Petitioner, Feist, is an independent publisher of telephone directories that also contain white pages (alphabetical) listings of telephone subscribers and yellow pages (classified) listings and advertising. One of Feist's directories covers an area that includes the service area of Rural Telephone. Feist competes with Rural Telephone and others for yellow pages advertisers in the areas covered by its directories.

Feist used the Rural Telephone directory as a source of name, address, and telephone number fact information concerning businesses and residences in Rural Telephone's

¹ Directive of the State Corporation Commission of Kansas (May 1, 1967).

public utility service area. After independently verifying this preexisting fact information where possible, Feist used the information to publish the white pages portion of its competitive telephone directory.

Rural Telephone filed suit against Feist, alleging that Feist's use of the preexisting name, address, and telephone number fact information appearing in the Rural Telephone directory infringed the copyright claimed therein. Feist denied Rural Telephone's copyright infringement allegations and raised various antitrust defenses and counterclaims.

The district court severed the copyright and antitrust issues and granted summary judgment in favor of Rural Telephone on its copyright infringement claims. *Rural Tel. Serv. Co., Inc. v. Feist Publications, Inc.*, 663 F. Supp. 214, 220 (D. Kan. 1987) ("*Feist Publications*") (Pet. 15a). The court held, without analysis, that "the white pages of a telephone directory constitute original work of authorship and are, therefore, copyrightable under either the provisions of 17 U.S.C. § 102 or § 103." *Id.* at 218 (Pet. 10a). The district court concluded that the copyright in the directory was infringed by Feist's mere taking of fact information from Rural Telephone's directory. *Id.* at 218-19 (Pet. 10a-11a). The court also rejected Feist's "fair use" defense.

Adopting the "sweat of the brow" doctrine as enunciated in *Leon v. Pacific Tel. & Tel. Co.*, 91 F.2d 484 (9th Cir. 1937) ("*Leon*"),² *Feist Publications*, 663 F. Supp. at 218 (other citations omitted) (Pet. 9a), the court ruled that an existing copyrighted compilation may only be used by a subsequent compiler to verify the results of that subsequent compiler's own independent canvass of

² The *Leon* court's notion that "labor is protectible" under the copyright laws was subsequently rejected by the Ninth Circuit. See *Worth v. Selchow & Righter Co.*, 827 F.2d 569, 572-74 (9th Cir. 1987), *cert. denied*, 485 U.S. 977 (1988).

telephone subscribers. *Id.* at 219 (citing *Central Tel. Co. v. Johnson Publishing Co.*, 526 F. Supp. 838, 843 (D. Colo. 1981)) (Pet. 13a-14a). As Feist had not first conducted an independent canvass here, the court found that Feist had infringed Rural Telephone's copyright in the directory, "even though [Feist] later verified the material" it had obtained from Rural Telephone's directory. *Id.* at 219 (Pet. 14a).³

The Tenth Circuit, in an unpublished opinion, affirmed the district court's decision for "substantially the reasons given by the district court" (Pet. 4a).

ARGUMENT

I. THIS COURT SHOULD RESOLVE THE IMPORTANT QUESTION OF THE PROPER SCOPE OF COPYRIGHT PROTECTION FOR COMPILATIONS OF PREEXISTING FACTS

As stated in Feist's Petition, there is currently a serious division among the circuits between the minority⁴ that adheres to the "sweat of the brow" doctrine to determine the scope of copyright protection in a compilation and the majority⁵ that adheres to the more modern and

³ The district court subsequently found Rural Telephone liable for antitrust violations. *Rural Tel. Serv. Co., Inc. v. Feist Publications, Inc.*, [1990-1 Transfer Binder] Trade Reg. Rep. (CCH) ¶ 69,022 (Apr. 5, 1990).

⁴ The decisions below adopt the "sweat of the brow" test that has been applied by the Seventh and Eighth Circuits. See *Rockford Map Publishers, Inc. v. Directory Serv. Co.*, 768 F.2d 145 (7th Cir. 1985), *cert. denied*, 474 U.S. 1061 (1986); *Hutchinson Tel. Co. v. Frontier Directory Co.*, 770 F.2d 128 (8th Cir. 1985) ("*Hutchinson*").

⁵ The Second, Fourth, Fifth, Ninth, and Eleventh Circuits do not follow the "sweat of the brow" standard, recognizing that, if copyright protection is based upon the first author's labor in fact gathering, it will inevitably allow a monopoly over the facts themselves. See *Konor Engrs., Inc. v. Eagle Publications, Inc.*, 878 F.2d 138, 140 (4th Cir. 1989); *Southern Bell Tel. & Tel. Co. v. Associated Tel. Directory Publishers*, 756 F.2d 801, 809-10 (11th Cir.

constitutionally consistent analysis required by the 1976 Copyright Act. In the instant case, the Tenth Circuit has allied itself with the "sweat of the brow" minority, which extends copyright protection indiscriminately to all and any part of a work that is the product of "industrious collection" and finds infringement in the absence of particular expenditures of labor by the alleged infringer. *Jeweler's Circular Publishing Co. v. Keystone Publishing Co.*, 281 F. 83, 88 (2d Cir.), *cert. denied*, 259 U.S. 581 (1922) ("*Jeweler's Circular*"). See also *Hutchinson*, 770 F.2d at 131-32; *Leon*, 91 F.2d at 485-86. This approach conflicts with (1) the constitutional limitation of copyright to the "writings" of "authors"⁶ and (2) the statutory mandate of Section 103(b) of the 1976 Copyright Act, 17 U.S.C. § 103(b), that copyright in a compilation⁷ extends only to the original authorship contributed by the compiler and expressly does not extend to the preexisting facts or data used in the compilation:

1985) ("*ATD*"); *Cooling Sys. & Flexibles, Inc. v. Stuart Radiator, Inc.*, 777 F.2d 485, 491 (9th Cir. 1985); *Financial Information, Inc. v. Moody's Investors Serv., Inc.*, 751 F.2d 501, 506 (2d Cir. 1984); *Eckes v. Card Prices Update*, 736 F.2d 859, 862-63 (2d Cir. 1984); *Müller v. Universal City Studios, Inc.*, 650 F.2d 1365, 1369-70 (5th Cir. 1981) ("*Müller*"). These decisions properly focus on the only element of a compilation of preexisting facts that is copyrightable; namely, the originality, if any, in its selection and arrangement of those preexisting facts.

⁶ U.S. Const. art. 1, § 8, cl. 8 confers upon Congress the power "[t]o promote the Progress of Science and useful Arts, by securing for limited Times to Authors . . . the exclusive Right to their respective Writings . . ." See also *Müller*, 650 F.2d at 1368 ("An 'author' is one 'to whom anything owes its origin; originator; maker; one who completes a work of science or literature'" (quoting *Burrow-Giles Lithographic Co. v. Sarony*, 111 U.S. 53, 58 (1884))).

⁷ 17 U.S.C. § 101 defines a "compilation" as ". . . work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship." (Emphasis added.)

The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material. The copyright in such work is independent of, and does not affect or enlarge the scope, duration, ownership, or subsistence of, any copyright protection in the preexisting material.

17 U.S.C. § 103(b). The legislative history of this provision observes:

Section 103(b) [17 U.S.C. § 103(b)] is also intended to define, more sharply and clearly than does section 7 of the present law [former 17 U.S.C. § 7], the important interrelationship and correlation between protection of preexisting material and of "new" material in a particular work. The most important point here is one that is commonly misunderstood today: copyright in a "new version" covers only the material added by the later author, and has no effect one way or the other on the copyright or public domain status of the preexisting material.

H.R. Rep. No. 1476, 94th Cong., 2d Sess. 57, reprinted in 1976 U.S. Code Cong. & Admin. News 5659, 5670.

Thus, the 1976 Copyright Act extends copyright protection in a fact compilation only to the "material added" by the compiler, and excludes from the scope of that protection the preexisting facts employed by the compiler in producing the compilation. Definition of this limited grant of copyright protection as applied to any particular work necessarily requires the concise delineation of just what is within the scope of the copyright (i.e., the original additions of the compiler) and what remains in the public domain notwithstanding its incorporation into a copyrighted compilation (i.e., the preexisting facts).

II. THE SWEAT OF THE BROW DOCTRINE ADOPTED BY THE TENTH CIRCUIT IS INCONSISTENT WITH MODERN PRINCIPLES OF COPYRIGHT LAW

In application, the "sweat of the brow" doctrine adopted by the courts below omits crucial steps in the statutory copyright infringement analysis: In direct contravention of the Copyright Act, no effort is made (1) to separate the copyrightable authorship (if any) contributed by the compiler from the uncopyrightable pre-existing facts and data employed in the compilation, and (2) to determine whether the alleged infringer has taken copyrightable authorship or uncopyrightable facts. Instead, the "sweat of the brow" doctrine simply presumes that the taking of any of the fruits of the compiler's labor (whether or not such labor is authorship) is infringement unless the alleged infringer went through an inefficient and generally pointless exercise to duplicate some portion of the first compiler's labor. As explained by the Eleventh Circuit:

In the past, some courts had, in effect, protected public domain material against copying by requiring the second compiler of such material to do his own independent research and expend his own labor and effort Our inquiry here does not require that we choose between a limited or more expansive standard of originality under the Act Nonetheless, we are in agreement with the *Miller* panel and *Nimmer* that protection of original research of information in the public domain is better afforded under an unfair competition theory.

ATD, 756 F.2d at 810 n.9 (citing *Miller*, 650 F.2d at 1369; 1 M. & D. *Nimmer*, *The Law of Copyright* § 3.04 at 3-19 (1990) ("*Nimmer*").).

The "sweat of the brow" doctrine has its origins in Nineteenth Century notions of property rights, reflecting a belief that the industrious investment of labor, without

more, should give rise to a property right.⁸ See *Jeweler's Circular*, 281 F. at 88; *National Business Lists, Inc. v. Dun & Bradstreet, Inc.*, 552 F. Supp. 89, 92 (N.D. Ill. 1982) ("*National Business Lists*"); *Nimmer* § 3.04. The doctrine thus contravenes the 1976 Copyright Act in ignoring the requirement of authorship. In practical effect, it resurrects discredited notions of state unfair competition law by engrafting them onto the federal copyright law. See, e.g., *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 231 (1964) ("[j]ust as a State cannot encroach upon the federal patent laws directly, it cannot, under some other law, such as that forbidding unfair competition, give protection of a kind that clashes with the objectives of the federal patent laws"); *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234, 237 (1964) ("... when an article is unprotected by a patent or a copyright, state law may not forbid others to copy that article"). Thus understood, the "sweat of the brow" doctrine is doubly pernicious, since it not only violates the express preemption of Section 301 of the Copyright Act,⁹ but also runs contrary to the federal policy established by the very statute it wrongly invokes. While considerations analogous to some elements of common law unfair competition may well have a place in the analysis of fair use, they have no place in the prerequisite determination of what

⁸ Nineteenth Century copyright cases protected the book as it was published. The 1976 Copyright Act protects only an "original work of authorship," of which the book is a copy. There is "a fundamental distinction between the 'original work' which is the product of 'authorship' and the multitude of material objects in which it can be embodied. Thus, in the sense of the bill, a 'book' is not a work of authorship, but is a particular kind of 'copy.'" H.R. Rep. No. 1476, 94th Cong., 2d Sess. 51, reprinted in 1976 U.S. Code Cong. & Admin. News 5659, 5664.

⁹ 17 U.S.C. § 301. See also *Peckarsky v. American Broadcasting Co., Inc.*, 603 F. Supp. 688, 695 (D.D.C. 1984) (purpose of broad statutory preemption scheme in Copyright Act is to further Act's goal of encouraging contributions to recorded knowledge by precluding use of state law to prevent copying of material that Congress has determined should be left in public domain).

is copyrightable and whether something copyrightable has been taken.

The discussion of "verification" in the opinion below vividly highlights this point. The courts below concluded that the taking of basic factual information from the telephone company's directory infringed the copyright in the directory as a whole. That conclusion followed not from a finding that copyrightable authorship was taken but rather from a finding that the second compiler did not first attempt to duplicate some portion of the telephone company's database through an "independent canvass" before taking fact information from the telephone company directory.¹⁰ There is no support whatsoever in the Copyright Act for the imposition of such a requirement. See, e.g., *Miller*, 650 F.2d at 1372 ("The valuable distinction in copyright law between facts and the expression of facts cannot be maintained if *research* is held to be copyrightable") (emphasis added); *Nimmer* § 2.11[E] at 2-169 to 2-170 ("The discovery of a fact, regardless of the quantum of labor and expense, is simply not the work of an author").

The absence from the Copyright Act of any basis for the imposition of a requirement to duplicate a prior compiler's labor before taking preexisting fact information from a copyrighted compilation is reflected in the vague and inconsistent manner in which the "sweat of the brow" cases explain how much duplication of the prior compiler's labor will be required before resort to the copyrighted compilation is permitted. Compare *United Tel. Co. v. Johnson Publishing Co., Inc.*, 855 F.2d 604, 606 (8th Cir. 1988) (copyright infringement found where compiler obtained 5,000 names, addresses, and telephone numbers of residences and businesses from telephone directory and subsequently verified by telephone all but 214

¹⁰ Feist did not copy the entirety of the Rural Telephone directory, but merely used some of the fact information appearing therein. *Feist Publications*, 663 F. Supp. at 217 (Pet. 7a).

of those listing before publishing them in compiler's own directory) with *Southwestern Bell Media, Inc. v. Trans Western Publishing, Inc.*, 685 F. Supp. 779, 780-81 (D. Kan. 1988) (no copyright infringement found where compiler obtained 40,000 business names, addresses, and telephone numbers from telephone directory and subsequently verified by telephone or other business contact all but 500 of those listings before publishing them in compiler's own directory). The district court's subsequent opinion on the antitrust counterclaims in the instant case observes:

[T]he copyright laws do not totally preclude the independent telephone directory publisher from using the local telephone company directory. The copyright laws require only that the independent publisher make an honest, good faith effort at obtaining the information contained in the telephone company directory prior to using that directory The court cannot establish in this opinion what constitutes such an effort

Rural Tel. Serv. Co., Inc. v. Feist Publications, Inc., [1990-1 Transfer Binder] Trade Reg. Rep. (CCH) ¶ 69,022 at 63,610-11 (Apr. 5, 1990). Such an amorphous standard, bereft of statutory underpinnings, is a treacherously vague basis for decisionmaking by the Associations' members and other businesses.

The practical effect of the "sweat of the brow" doctrine's requirement that a subsequent compiler perform a prior independent canvass is to confer upon the first compiler of fact information a virtual monopoly in the facts compiled. As the majority of the circuits and commentators have recognized, that result is irreconcilable with a constitutional and statutory scheme that extends copyright protection only to authorship and denies such protection to facts and ideas, no matter how industriously gathered.¹¹

¹¹ It has always been a fundamental principle of the copyright laws, reflecting our societal needs to communicate and to balance the

III. TELEPHONE DIRECTORIES ARE AN APPROPRIATE CONTEXT IN WHICH TO ADDRESS BROAD QUESTIONS OF THE SCOPE OF COPYRIGHT IN FACT COMPILATIONS

Telephone directories are one of an increasing number of kinds of works that fit within the statutory definition of "compilation." The Copyright Act treats all such fact compilations alike. Telephone directories provide a particularly appropriate context for the Court to resolve the conflict among the circuits and establish a uniform doctrine of copyright for fact compilations because such directories are nearly universal in format, straightforward in content, and ubiquitous in dissemination throughout the country. Telephone directories are also the subject of much of the "sweat of the brow" jurisprudence, a fact which has resulted in telephone directories being given more extensive copyright protection in some circuits than other fact works despite the absence of any statutory basis for such disparate treatment. *Compare Illinois Bell Tel. Co. v. Haines and Co., Inc.*, 683 F. Supp. 1204, 1210 (N.D. Ill. 1988) ("... the Seventh Circuit firmly holds that a compiler commits copyright infringement if he copies the original compiler's information without conducting an independent canvass" and uses such information in the publication of a telephone directory) with *Nash v. CBS, Inc.*, 899 F.2d

First Amendment guarantee of freedom of speech with copyright protection, that "protection is given only to the expression" of an author's ideas or facts, not to the ideas or facts themselves. *Mazer v. Stein*, 347 U.S. 201, 217 (1954). See also *Baker v. Selden*, 101 U.S. 99, 102-03 (1880); *Harper & Row, Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 547 (1985); *Miller*, 650 F.2d at 1368-69; *Nimmer* § 1.10[B][2] at 1-76 to 1-78.2, and § 2.11[A] at 2-157; *Patterson & Joyce, Monopolizing the Law: The Scope of Copyright Protection for Law Reports and Statutory Compilations*, 36 U.C.L.A. L. Rev. 719, 763 (1989) ("The originality requirement is constitutionally mandated for all works") (citing *Durham Indus., Inc. v. Tomy Corp.*, 630 F.2d 905, 911 (2d Cir. 1980)) (emphasis in original).

1537, 1542-43 (7th Cir. 1990) ("Copyright law does not protect hard work (divorced from expression) . . ." in an author's research of book; others may freely use his work ". . . as a source of facts and ideas").¹²

A clear and universally applicable doctrine of compilation copyright properly anchored to the 1976 Copyright Act will serve societal interests well beyond those associated with telephone directories. Computer-assisted compilations of fact information, of which telephone directories are an example, are increasing in number and importance to the flow of commerce and knowledge. The "sweat of the brow" doctrine frustrates and impedes the balancing of interests between the publishers of such compilations and the public's interest in free access to information established in the 1976 Copyright Act. For example, the Eighth Circuit's decision that the page numbers in the West regional reporters were protected by copyright and infringed by their inclusion in the LEXIS legal research service, *West Publishing Co. v. Mead Data Central, Inc.*, 799 F.2d 1219, 1240 (8th Cir. 1986), *cert. denied*, 479 U.S. 1070 (1987), was based on the "sweat of the brow" doctrine and has been the object of near-universal scholarly criticism because of the inconsistency between that decision and the 1976 Copyright Act. See, e.g., W. Patry, *Latman's The Copyright Law* 63 n.212 (6th ed. 1986); *Patterson & Joyce, Monopolizing the Law: The Scope of Copyright Protec-*

¹² See also *Miller*, 650 F.2d at 1370; *Patterson & Joyce, Monopolizing the Law: The Scope of Copyright Protection for Law Reports and Statutory Compilations*, 36 U.C.L.A. L. Rev. at 776 n.196. There is no policy basis for according greater copyright protection to telephone directories than to other fact compilations. The constitutional foundation of copyright law is to create incentives to authorship, and telephone companies require no such incentive since they are generally required to produce telephone directories by statute or regulation. Thus, insofar as the constitutional policy of copyright is concerned, telephone company directories merit less, rather than more, copyright protection than other fact compilations.

tion for Law Reports and Statutory Compilations, 36 U.C.L.A. L. Rev. 719 (1989). Authoritative guidance from the Court will enable compilers and users of computer-assisted databases and output therefrom in numerous industries and settings to proceed with greater confidence of their rights and obligations.

IV. THE OPINIONS OF THE COURTS BELOW ARE INCONSISTENT WITH THE COURT'S DECISION THIS TERM IN *STEWART v. ABEND*

The opinion of the Court in *Stewart v. Abend*, 495 U.S. —, 110 S. Ct. 1750 (1990) handed down earlier this term, addresses an issue in copyright law conceptually analogous to the issue presented here, and reaches a conclusion consistent with that advocated by Petitioner and the Associations. *Stewart* concerns "derivative works," which receive copyright protection under the same provisions of the Act as compilations. In *Stewart*, the Court preserved the clear statutory distinction between a derivative work and the underlying material used in the derivative work, and limited the scope of the derivative work copyright to the new, original contribution of the derivative work author. *Id.* at 1761. That same statutory distinction exists with respect to compilations, and is ignored by the "sweat of the brow" doctrine, which indiscriminately sweeps within the scope of the compilation copyright not only original authorship (if any) of the compiler, but the constitutionally uncopyrightable preexisting fact information. Reversal of the decision below would bring the law of compilation copyright into harmony with the Copyright Act as recently interpreted by the Court in *Stewart*.

CONCLUSION

For the foregoing reasons, the Petition of Feist Publications, Inc., should be granted.

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No. 89-1909

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BRIEF OF THE INTERNATIONAL ASSOCIATION OF
CROSS REFERENCE DIRECTORY PUBLISHERS
AS *AMICUS CURIAE* IN SUPPORT OF
PETITIONER FEIST PUBLICATIONS, INC.

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QUESTIONS PRESENTED

1. Does the copyright in a telephone directory by the telephone company prevent access to that directory as a source of names and numbers to compile a competing directory, or does copyright protection extend only to the selection, coordination, or arrangement of those names and numbers?

2. Does the copyright in a factual compilation prevent use of that compilation as a source of the compiled facts, or does copyright protection extend only to the expression of those facts, i.e., the selection, coordination or arrangement of those facts?

3. Where the act of copying from a copyrighted factual compilation is proven, must substantial similarity of the expression of those compiled facts, i.e., the selection, coordination and arrangement thereof, also be proven to establish infringement of the copyright?

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IN THE
Supreme Court of the United States

OCTOBER TERM, 1990

No. 89-1909

FEIST PUBLICATIONS, INC.,

Petitioner,

v.

RURAL TELEPHONE SERVICE COMPANY, INC.,

Respondent.

On Writ of Certiorari to the
United States Court of Appeals
for the Tenth Circuit

**BRIEF OF THE INTERNATIONAL ASSOCIATION OF
CROSS REFERENCE DIRECTORY PUBLISHERS
AS AMICUS CURIAE IN SUPPORT OF
PETITIONER FEIST PUBLICATIONS, INC.**

INTEREST OF THE AMICUS CURIAE¹

The International Association of Cross Reference Directory Publishers ("IACRDP") is a trade association of eleven independent publishers of "cross-reference" directories. As explained below, cross-reference directories are not substitutes for, or competitive with, alphabetical telephone directories published by telephone companies such as Respondent Rural Telephone Service Company ("RTSC") and by independent directory publishers such as Petitioner Feist Publications ("Feist"). The interest of *amicus* IACRDP in the present case is heightened by a recent decision of the United States Court of Appeals for the Seventh

¹ The written consents of Petitioner and Respondent to the filing of this brief have been filed with the Clerk of the Court.

Circuit holding that a copyright in an alphabetical telephone directory was infringed by a cross-reference directory, notwithstanding substantial differences in the form of expression of the public domain facts used in the respective directories.²

Thus, the scope of protection to be afforded copyrights in compilations of fact, such as a telephone directory, is of vital concern to the members of *amicus* IACRDP. This issue is equally of concern to publishers of other types of directories who utilize copyrighted compilations of unprotectable public domain facts as a source of information to prepare non-competing works which fulfill needs which the prior copyrighted work cannot satisfy.

Whereas in the present case RTSC's copyrighted directory and Feist's accused directory are competing and functionally similar alphabetical directories, in *Haines* the copyrighted alphabetical directory of Illinois Bell was held to be infringed by Haines' non-competing and functionally dissimilar cross-reference directory. The same erroneous test for copyright infringement applied by the lower courts in the present case was applied in *Haines*³ to restrict use of facts expressed in an entirely different arrangement. The broader factual context of *Haines* therefore highlights the significance of the legal and policy issues concerning access to information which are raised by the present case, and demonstrates more starkly that the analysis of the lower courts is inconsistent with the copyright statute, its legislative history, precedents of this Court and public policy.

Approval by this Court of the infringement tests applied by the lower courts could be devastating to independent cross-reference directory publishers, as well as detrimental to the public interest. Even if the copyright owners elected to license these publishers rather than enforce their right to enjoin, the profit

² *Illinois Bell Telephone Co. v. Haines and Company et al.*, 905 F.2d. 1081 (7th Cir. 1990) (hereinafter *Haines*). *Haines* filed its petition for certiorari in this court on November 2, 1990.

³ The District Court in *Haines* cited the District Court opinion in *Feist* six times.

margins in the cross-reference directory industry would not support license fees at the level demanded, for example, by Illinois Bell Telephone in *Haines*. The phone companies would have a monopoly, resulting in higher prices in selected larger markets and no cross-reference directory service at all in most smaller markets.

The disappearance of these directories from smaller communities now served by independent cross reference directory publishers is likely because of the historic pattern of limited participation by the public telephone companies in the cross-reference directory industry. The multi-state independent publishers can publish in the marginally profitable smaller communities because they maintain staffs large enough to handle the larger and more profitable jobs when required. The public telephone companies, however, which are confined to their own territories, are not likely to have staffs adequate for such tasks except in the larger metropolitan areas. The public benefit of access to such directories by emergency services, business and other public institutions in smaller communities would be lost.

Public telephone companies can legitimately claim no harm to their compilation efforts because they could, in proper circumstances, continue to enforce their rights against publishers of competing jointly bound white and yellow page directories. Such directories employ the alphabetical arrangement of the telephone companies' white pages, so that an infringement might be found if the overriding "substantial similarity" test (discussed below) were satisfied.

DESCRIPTION OF THE PRODUCTS OF THE *AMICUS CURIAE*

A. Cross-Reference Directories Employ An Entirely Different Form Of Expression Than That Found In Alphabetical Telephone Directories

To appreciate the extent and consequences of the erroneous infringement tests applied by the lower courts, it is useful to highlight the differences between the white pages section of a conventional alphabetically arranged telephone directory and a cross-reference directory.⁴ Cross-reference directories do not contain an alphabetically arranged list of telephone subscribers. Instead, they contain two basic sections: a street address section and a telephone numerical section.

The street address section arranges the facts by *street address*. Street names are arranged alphabetically, and under each street the addresses are listed in numerical order, followed by the occupant's name and phone number. All addresses are zip coded. Additional information is often provided, such as community name and unofficial neighborhood designation, business identification, new listing identification and demographic information such as relative wealth rating for the Census Tract in which such address is located. A photocopied excerpt from a typical Haines cross-reference directory is shown below:

Addressakey

THE HAINES DIRECTORY

LILLIAN CT 60042			LIMERICK DR			60013 CONT		
ISLAND LAKE			2810	WEINER MATHEW L	639-7143	8		
103	NISSIN C E	526-2343	9	2811	BIND LOUIS G	639-0306	+4	
105	SONNE ROBT A	526-6305	8	2812	MEYER WM A	639-1975	+4	
	SONNE ROBT A CHLD	526-9026	8	2813	LALOND ALLEN	639-4458		
106	TUCKER WM	526-2492	3	2814	IVERSCH BARBARA	639-5035	9	
107	GRANUM ERNEST H	526-5885	9	2815	LALOND ALEX A	639-2898	1	
111	XXXX	00		2816	MOORE TERENCE	639-8128	3	
	* 0 BUS 8 RES 0 NEW			2817	MOE RUSSELL	639-1928	0	
LILLIAN PL W 60002			2818	XXXX	00			
ANTIOCH			2819	MCNAMARA PATK	639-8121	3		
22520	TURNER O W	389-1254	3	2820	XXXX	00		
	* 0 BUS 1 RES 0 NEW			2821	WILSON D	639-4189		
LILY W 60050 MC HENRY					* 1 BUS 21 RES 3 NEW			
LILYMOOR AREA			LINCOLN 60102			ALGONQUIN		
701	COFFMAN RANDALL	389-1112	0	308	XXXX	00		
702	NETTLES CHAS E	389-5005	7	309	CARDELLA P	658-9453	+4	
704	XXXX	00			PAWLOWSKI STANLEY	658-7508		
	* 0 BUS 3 RES 0 NEW			310	XXXX	00		
LILY LN 60021			315	MARRAH THOS W	658-6876			
FOX RIVER GRV				MARRAH THOS W	658-6876	7		
503	HOVORKA CLARENCE C	639-5370	+4	321	TRIPLETT WM J JR	658-4191	0	
505	RODERICK ROBT J	639-8015	+4	326	GRESENS CHAS B	658-4387	8	
	* 0 BUS 2 RES 2 NEW			327	WAY GLENN H	658-6106	8	
				333	HINKLE JAS W	658-4882	0	
				401	JUDO ROBT C	658-7102	1	
				403	BEU MARIAN J	658-7442	+4	
				407	JANSEN CHAS R	658-2310	0	
				414	OAKES EVERETTE	658-8244		
				420	BOWSE W	658-6807	7	
				426	ANDERSON NELS E	658-7128	2	
				427	PETTERSON M	658-4185	8	
				433	KASPER C	658-3621	2	

⁴ See also, the District Court's opinion in the previously cited *Haines* case, 683 F. Supp. 1204, 1205-06 (N.D. Ill. 1988).

The telephone numerical section arranges the facts by *phone number*, in numerical order, followed by the subscriber's name. Some directories also include address listings, business identification listings and identification of which listings are new or changed. Another sample from a Haines cross-reference directory shows this section:

Telokey

THE HAINES CROSS DIRECTORY

1835 KINGDOM HILL JENOVAN 225 DILGER AV WAUK
1838 STIMOLAS SEREN CH 228 COUNTY N WAUK
1848+ NEMOOTH CH 1001 INDIANA WAUKEGAN
1851 OGDEN J D JR 1115 RIDGELAND AV WAUK
OGDEN J D JR 1115 RIDGELAND AV WAUK
1852+ GETHSEMANE CH GOD 631 MC ALISTER AV W
1850+ TOP O THE MORN 438 FRANKLIN WAUKEGAN
1876 BUTTERNUT BREAD DIV 2908 GRAND AV WAU
1880 WHITEHEAD BARBER SH 712 GENESEE S WAU
1887 McDONALDS RESTAURANT 3249 BELVIDERE RD W
1892+ REYES GROCERY STR 29 GENESEE S WAUK

(815)338-0010

0010 ROUSEY GLENN 220 DONOVAN AV E WOODST
0011 EAST DONALD C 523 CALHOUN E WOODSTOCK
0012 FABOS S W 342 JANE WOODSTOCK
0014 NEER M C 322 SEMINARY AV N WOODS
0017 WALSH JAS W 918 BLAKELY WOODSTOCK
0018 JARNECKE NORMAN L 1721 SEMINARY AV N W
0019 LEUBKE LARRY 476 JACKSON W WOODSTOCK
0020 NEUCHILLER B B MD 244 OAK WOODSTOCK
0021 GUTLIN H JOS ATTY 111 DEAN WOODSTOCK
0022 CAPLAN MICHAEL S 1308 ISLAND CT WOODST
0023 WOODSTOCK NEWS AGCY 142 WASHINGTON
0024 TAYLOR GEO B 1217 BLAKELY WOODSTOCK
0025 WESKERN EDW A 808 SOUTH E WOODSTOCK
0026 THOMAS MOON 315 MADISON W WOODSTOCK
0027 DEBOER ARTHUR MD 4101 DEAN STREET RD W
0028 CONNOR WM W 14810 DOGWOOD LN WOODST
0029 THORNE W R 709 DEAN WOODSTOCK
0030 GLUTH FRANK 2202 STERG WOODSTOCK
0032+ FULLERTON ROBT G 1212 OAKVIEW TER WOOD
0035 NICHOLS LUCILLE 111 TERRY CT WOODSTOCK

0181 STANGER EMMA UPS 212 TAPPAN WOODSTOCK
0182 ANDREW RUSSELL F 13301 HICKORY LN WOOD
0184 SHAWL RAYMOND C REV 1012 HICKORY RD W
0185 SCHNEIDERMAN LEROY 174 TERRY CT WOODS
0186 JOHNSON RAYMOND UPS 515 JUDN W WOODS
0187 FEDERAL LAND BANK 2032 SEMINARY AV N W
0188 WAYNES CITY LAMES 109 CHURCH WOODSTOCK
0189 WCBROOK FL 351 MADISON S WOODSTOCK
0190+ DONAHUE JOHN J 10509 COUNTRY CLUB RD W
0191 PHILIPP JACOB 428 LAWNDALE AV WOODST
0192 LEE JIM W 12901 PLEASANT JLY RD WOC
0194 NORTHERN R ALARM CO 12901 PLEASANT JLY
0195 VANDEVEER MICHAEL 2412 CONCORD DR WOOD
0196 NELSON RUSSELL V 737 WHEELER WOODSTOCK
0198 BAYTON ROBT E 1250 MITCHELL WOODSTOCK
0197 BOWE FRANKLIN S 1213 CLAY WOODSTOCK
0199 JOHNSON RONALD A 1427 SEMINARY AV N W
0199 LUMPP EDW T 14518 PERKINS RD WOODSTOCK
0201 KNEIBUSCH WIL 511 HUBBELL AV W WOODST
0202+ SMITTY'S BODY SHOP 225 CALHOUN E WOODS
0203 CANNIZZARO E 115 DONOVAN AV E WOODST
0206 HASLUND WM C 631 JEFFERSON S WOODST
0207 LISTON DON J 535 PLEASANT WOODSTOCK
0210 WOODSTOCK OPTICAL ST 868 JACKSON W W
0211 SKULLY E J 10612 COUNTRY CLUB RD WOOD
0212 ANDERSON GLENN E 418 PLEASANT WOODST
0213 FORT DONALD J D RAYCRAFT RD WOODST
0214+ PHILLIPS BRADLEY 131 HAYWARD S WOODST
0215+ KRUMPHOLTZ 402 JACKSON W WOODSTOCK
0216 KLEMMER ROGER 542 PLEASANT WOODSTOCK
KLEMMER FLOOR SERV 542 PLEASANT WOODS
0217+ VANDEVEER L 3412 CONCORD DR WOODSTOCK
0218 LUSH GEO E 406 FLEMING RD N WOODST
0221 BAKER PETERSON CO DONOVAN AV W WOOD
0222 SCHMIDT PHOTO 130 WASHINGTON WOODSTOCK

Thus, cross-reference directories do not and cannot compete with alphabetical telephone directories. An alphabetical directory cannot be used to learn the name of a person or business located at a known address, or to whom a known phone number belongs. Conversely, a cross-reference directory cannot be used to obtain an address or phone number of a known individual or business.

B. Cross-Reference Directories Perform Unique Functions

Cross-reference directories have been published for more than seventy years.⁵ At least 600 such directories are published annually by independent cross-reference directory publishers. Virtually every community with more than 20,000 businesses and households is served by these directories. The eleven IACRDP members publish directories serving forty-eight states, the District of Columbia, and three Canadian provinces.

Cross-reference directories contain no advertising. Distribution is too limited, both in quantity and nature of directory purchasers, to offer any potential for advertising revenue. The costs of compilation and publication are borne by directory purchasers, typically \$50 to \$150 except for very large metropolitan areas where a multi-volume set may cost several hundred dollars.

Cross-reference directories are widely used by government, business and public service organizations. Major users include law enforcement agencies, fire departments, medical and emergency services, political campaigns, voter registration offices, religious organizations, charities, the media, businesses, attorneys, schools, salespeople, public utilities, banks, collection agencies and even Bell System telephone companies.

Smaller community emergency services must rely on their copy of a cross-reference directory to supplement the often incomplete location description supplied by the emergency caller.

⁵ The facts appearing in the following six paragraphs were taken from the trial record of the *Haines* case, 683 F.Supp. 1204.

For small local businesses (e.g., realtors and household services), cross-reference directories provide an inexpensive way to target an audience in their own territory. Envelopes or flyers can be addressed by a secretary, or occupants called directly on the telephone, without the expense of an advertising agency-prepared direct mail campaign. The consumer also benefits because the more efficiently targeted advertising costs less and results in lower prices of the goods or services advertised.

C. The Compilation Of A Cross-Reference Directory Involves Several Sources

A cross-reference directory is not merely the result of copying and rearranging the data from an alphabetical telephone directory. Many additional sources are required to produce a cross-reference directory. All street addresses, zip codes, business and residential notations, community names, neighborhood names, apartment notations, street corner designations, and length of occupation of an address are derived independently of any telephone directory.

Cross-reference directory publishers must and do use telephone directories as one of their research sources for their annual compilation process. There is no other source for names and telephone numbers. The only alternative to the use of alphabetical telephone directories would be a prohibitively expensive annual door-to-door canvass of the entire covered territory.

SUMMARY OF ARGUMENT

The Copyright Act authorizes copyrights for compilations of pre-existing facts only when they are "selected, coordinated or arranged in such a way that the resulting work as a whole constitutes an original work of authorship" (17 U.S.C. 101). The Act expressly precludes "any exclusive right in the pre-existing material" (17 U.S.C. 103b).

At issue here are copyrighted "white pages" telephone directories, wherein pre-existing facts are arranged as an alphabetical

list of telephone subscribers, followed by their respective addresses and telephone numbers. The individual facts are not part of a confidential customer list of the telephone company; they are in the public domain. The telephone companies are required by law to publish and distribute such facts to their customers.

Cross-reference directories, such as published by *amicus* IACRDP's members, arrange such facts in an entirely different way: (1) in numerical order by street address, and (2) in numerical order by telephone number. Thus, cross-reference directory publishers do not use the protectable *expression* of those facts found in the telephone companies' white pages. They create independent works using "pre-existing material," as authorized by the Copyright Act.

The Copyright Act, precedents of this Court and underlying public policy all require that copyrights in factual compilations such as alphabetical telephone directories be strictly confined to the minimally creative expression embodied in such alphabetical arrangement of the public domain facts, an expression not used in cross-reference directories.

The lower courts in both the present case and *Haines* erred in omitting from the test of copyright infringement the determination of substantial similarity between the *expression* of the compiled facts (*i.e.*, the selection, coordination and arrangement thereof) employed in the copyrighted and accused works. Where the similarity is only in the uncopyrightable facts, and not in the expression thereof, the similarity is not "substantial" and there is no infringement.

ARGUMENT

A. The Scope Of Copyright Protection In Factual Compilations Is Limited By Statute

The copyright law, like the patent law, finds its origin and purpose in the Constitutional grant to Congress of the power "to promote the Progress of Science and useful Arts, by securing for

limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries" (U.S. Constitution, Art. I, §8).

The 1976 Copyright Act provides copyright protection for "original works of authorship" (17 U.S.C. 102a), including compilations, which the Act defines in this way:

A "compilation" is a work formed by the collection and assembling of pre-existing materials or of data that are *selected, coordinated or arranged* in such a way that the resulting work as a whole constitutes an original work of authorship.

17 U.S.C. 101, emphasis added.

In addition to the requirement of originality, the Act contains two explicit restrictions on the scope of protection afforded by a copyright, the first general and the second specific to compilations:

In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work.

17 U.S.C. 102b.

* * *

The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the pre-existing material employed in the work, and does not imply any exclusive right in the pre-existing material. . .

17 U.S.C. 103b.

While compilations of fact are copyrightable (17 U.S.C. 101), the copyright does not extend to the facts disclosed. Only the expression of those facts is protected by the copyright (17 U.S.C. 102b, 103b). Where, as here, the compilation is a

telephone directory, the pre-existing material or data which the statute explicitly excludes from protection are the individual listings of name, address and telephone number. The telephone companies, which typically obtain the data from their phone service customers when they apply for such service, are required by law to publish such data in an alphabetical directory.⁶ The expression employed in a telephone directory is minimal: the selection process is virtually non-existent, because all numbers which the customers wish to be published are listed; the coordination and arrangement is the age-old and indispensable alphabetical arrangement.

The intent of the scope-restricting provisions of the Copyright Act is found in the language of the Senate Judiciary Committee Report:

Copyright does not preclude others from using the ideas or information revealed by the author's work. It pertains to the literary, musical, graphic or artistic form in which the author expressed his intellectual concepts.

S. Rep. No. 94-473, p. 54 (1975) and H.R. Rep. No. 94-1476, pp. 56-57.

This distinction between unprotectable facts and protectable form or expression has been succinctly summarized by this Court:

[N]o author may copyright facts or ideas. §102. The copyright is limited to those aspects of the work —termed "expression"— that display the stamp of the author's originality.

Harper & Row, Publishers v. Nation Enterprises, 471 U.S. 531, 547 (1985).

⁶ *Rural Telephone Service Co. v. Feist Publications*, 737 F.Supp. 610, 612 (D. Kan. 1990), adjudicating Feist's antitrust counterclaim in the principal case; *Haines*, 683 F.Supp. at 1205.

The Court stated the corollary principle, i.e., the subsequent user's *right to copy facts*, this way:

Yet copyright does not prevent subsequent users from copying from a prior author's work those constituent elements that are not original — for example, quotations borrowed under the rubric of fair use from other copyrighted works, *facts or materials in the public domain* — as long as such use does not unfairly appropriate the author's original contributions.

Id. at 548 (emphasis added).

Similarly, a subsequent author has "an unfettered right to use any factual information" revealed in a work. *Id.* at 557. The copyright statute thus reconciles the interests of the prior author with those of subsequent authors and the public.

A cross-reference directory does not copy the telephone company's "original contribution" or the "expression" (as this Court put it in *Harper & Row*), or the "form" (as the Senate Report put it), or the "select[ion], coordinat[ion] or arrange[ment]" (as 17 U.S.C. 101 puts it).

The *Constitutional* right to copy uncopyrightable material (here, the facts within the telephone directory listings) was recently reiterated by this Court. Quoting from *Compco Corp. v. Day-Brite Lighting*, 376 U.S. 234, 237 (1964), the Court again held that a state may not "interfere with the Federal policy, found in Art. I, §8, cl. 8, of the Constitution and in the implementing Federal statutes, of allowing free access to copy whatever the Federal patent and copyright laws leave in the public domain." *Bonito Boats v. Thunder Craft Boats*, 109 S. Ct. 971, 979 (1989).

B. Sound Policy Reasons Support The Statutory Right To Copy Facts

Compelling policy reasons support this statutory license to copy and disseminate facts from copyrighted factual compilations. These reasons were well stated by Professor Gorman in a schol-

arly article (copies of which have been lodged with the Court) quoted with approval by this Court in *Harper & Row*, 471 U.S. at 563. He observed:

Our law, as reflected in the terms of our copyright statutes and the language of our Courts, emphasizes the greater need to disseminate the contents of fact works in contrast to the contents of works of artistic or literary fancy.

Gorman, *Fact or Fancy? The Implications for Copyright*, 29 J. Copyright Society 560, 561 (1982).

* * *

[E]ven within the field of fact works, there are gradations as to the relative proportion of fact and fancy. One may move from sparsely embellished maps and directories to elegantly written biography. The extent to which one must permit expressive language to be copied, in order to assure dissemination of the underlying facts, will thus vary from case to case.

Id. at 563.

Gorman listed several reasons for affording greater freedom to copy factual information than fanciful or literary expression: (1) public interest in access to facts; (2) the expression or presentation of facts is often "dictated by and inseparable from the underlying information", with maps and directories being the best examples; (3) commentary on political, social and historical facts as fostered by First Amendment and fair use considerations; and (4) copyright is intended to protect literary or artistic expression, rather than the labor in discovering facts. *Id.* at 562.

Professor Gorman believes only limited scope is warranted for copyrights in directories:

Because the underlying facts in the terse and exhaustive directory are in the public domain and because the expressive variations are so limited, the copyright should properly be a "thin" one (as with maps), lest the monopoly unduly

hinder the dissemination of information in the public interest. *Even modest departures from the form of such a streamlined copyrighted compilation, or new contributions and revisions, should presumably warrant a finding of non-infringement.*

Id. at 571 (emphasis added).

Of similar mind is noted copyright authority Melville Nimmer, whose widely known treatise, *Nimmer on Copyright*, was cited fifteen times by this Court in the *Harper & Row* majority opinion. In his view, one who labors to bring to light obscure public domain material has performed a socially useful service, but that activity alone does not qualify as the "writing" of an "author" within the contemplation of the Constitution. He continues:

The situation is quite different with respect to an original selection or arrangement of such public domain materials. Such selection or arrangement may in itself constitute an original contribution of authorship and should be protectable against appropriation under copyright principles. *However, the fact that an author has made such an original contribution is no basis for protecting the public domain materials per se if the original selection or arrangement is not copied.*

1 Nimmer on Copyright, §3.04, at p. 3-20.2 (1990) (emphasis added) (hereinafter Nimmer).⁷

As Professor Gorman observed, the presentation of facts is often "dictated by and inseparable from the underlying information" (29 J. Copyright Society at 562). To assure dissemination of the underlying facts in terse directories, he advocated a finding

⁷ The conclusion of the lower courts here and in *Haines* that the later author must conduct his own canvass to compile public domain facts is contrary to the modern trend of judicial decisions rejecting the idea that the first compiler's labor (his "sweat of the brow" or "industrious collection") is protectable by copyright. This subject has been well covered in the *amicus* brief filed herein by the Association of North American Publishers and the Directory Publishers Association, in whose discussion *amicus* IACRDP concurs.

of non-infringement for "even modest departures from the form of such a streamlined copyrighted compilation." This approach has been followed by the Courts:

Factual works are different. Subsequent authors wishing to express the ideas contained in a factual work often can choose from only a narrow range of expression . . . Therefore, similarity of expression may have to amount to verbatim reproduction or very close paraphrasing before a factual work will be deemed infringed.

Landsberg v. Scrabble Crossword Game Players, Inc., 736 F.2d 485, 488 (9th Cir. 1984), *cert. denied*, 469 U.S. 1037 (1984).

Accord, Sid & Marty Krofft Television Productions v. McDonald's Corp., 562 F.2d 1157, 1168 (9th Cir. 1977) ("The idea and expression will coincide when the expression provides nothing new or additional over the idea."); *Morrissey v. Proctor & Gamble*, 379 F.2d 675, 678-79 (1st Cir. 1967) (protection "could exhaust all possibilities of future use of the substance"); *Affiliated Hospital Products, Inc. v. Merdel Game Mfg. Co.*, 513 F.2d 1183, 1188 (2d Cir. 1975) (protection on game rule book would impermissibly extend protection to the public domain game).

Cross-reference directories do not use the alphabetical form of expression employed in alphabetical telephone directories. They use only the bare-bone public domain facts, which are neither owned by the telephone companies nor protected by their directory copyrights. There is no other way to convey such facts except by repeating them, which cross-reference directories do in an entirely different arrangement and expression. Under the statute and the precedents, these acts do not constitute copyright infringement.

Citing the information/form dichotomy (or "idea/expression" as it is more frequently described) expressed in the Con-

gressional Reports (quoted at p. 11, *supra*), Justice Brennan concluded that:

Congress made the affirmative choice that the copyright laws should apply in this way . . . This distinction [i.e., information/form] is at the essence of copyright . . . To insure the progress of arts and sciences and the integrity of First Amendment values, ideas and information must not be freighted with claims of proprietary right.

Harper & Row, 471 U.S. at 589-90 (dissenting).

Were this Court to conclude that the scope of protection of a copyrighted alphabetical telephone directory extends to an entirely different expression of the compiled facts, such as in a cross-reference directory, then these policies of promoting dissemination of information in the public interest, as intended by the Constitution and commented upon by Professor Gorman and Justice Brennan, would be severely inhibited. As has been described, cross-reference directories provide valuable and otherwise unavailable resources and benefits to government, business and the public. Such works neither compete with nor diminish the need for alphabetical telephone directories. They impair no legitimate interest of the copyright owner.

Because cross-reference directories are non-competing with and incomparable to alphabetical telephone directories, their creation should be encouraged in accordance with the Constitutional purpose of promoting progress.

The world goes ahead because each of us builds on the work of our predecessors. "A dwarf standing on the shoulders of a giant can see farther than the giant himself."

Chafee, *Reflections on the Law of Copyright*, 45 Colum.L.Rev. 503, 511 (1945), quoted in *Sony Corp. v. Universal City Studios*, 464 U.S. 417, 469, n. 28 (1984) (dissent).

C. The Lower Courts Applied An Erroneous And Incomplete Test For Infringement

In its analysis of the infringement issue, the District Court misunderstood and therefore misapplied the tests for copyright infringement. Its conclusion of infringement was affirmed by the Court of Appeals, without further analysis, "for substantially the reasons given by the District Court" (Feist's Petition for *Certiorari*, p. 4a).

The error was in the complete failure to apply the "substantial similarity" test, after finding that copying had occurred, to determine whether that which was copied was more than unprotectable facts or ideas. Initially, the District Court correctly stated how *the act* of copying may be proven:

This element may be shown by either an admission of copying by the defendant, or by the indirect route of proving access to the directory and substantial similarity between the plaintiff's and defendant's works.

663 F.Supp. at 218.

Having found direct evidence of copying, both from an admission that RTSC's directory was used during the preparation of Feist's directory and from the presence in Feist's directory of four fictitious listings from the earlier RTSC work, the Court made this erroneous conclusion:

Since we have direct evidence of copying in this case, we need not resort to an analysis of whether there was a substantial similarity between the two directories.

Ibid.

While the District Court was correct that the evidence made it unnecessary to apply the "substantial similarity" test to indirectly or circumstantially show *the act* of copying (i.e., the absence of independent creation), it failed to realize that "substantial similarity" is also a test applied to determine whether the

nature and extent of the copying was an infringement.⁸ Thus, as quoted above, the "substantial similarity" test *may* have to be applied to prove the act of copying, but it must *always* be applied at the next level of analysis, *i.e.*, to determine whether that which was copied was substantial enough in both quantity and substance to constitute copyright infringement. As the Court of Appeals for the Third Circuit has noted, "Substantial similarity to show that the original work has been copied is not the same as substantial similarity to prove infringement. . . . [D]issection and expert testimony in the former setting are proper but are irrelevant when the issue turns to *unlawful* appropriation." *Universal Athletic Sales Co. v. Salkeld*, 511 F.2d. 904, 907 (3rd Cir. 1975), *cert. denied*, 423 U.S. 863 (1975) (emphasis added).

The failure to recognize that there *is* a next level of analysis to *every* infringement issue may have resulted from reliance on a streamlined two-part statement of the infringement test which appears in some cases and even in Nimmer's noted textbook series on copyright law. The two-part test comprises proof of (1) ownership of a copyright and (2) copying. 3 Nimmer §13.01, p. 13-4.⁹

But further reading reveals that Nimmer's treatise elaborated on the content of the copying element:

Just as copying is an essential element of infringement, so substantial similarity between plaintiff's and defendant's works is an essential element of copying. Yet the determination of the extent of similarity which will constitute a substantial and hence infringing similarity presents one of

⁸ The same error was made by both lower courts in *Haines*, where direct evidence of Haines' use of the IBT directory was available: "Establishing substantial similarity is necessary only when direct evidence of copying is unavailable." 905 F.2d at 1086.

⁹ In fact, the Court in *Haines* cited a prior decision which, in stating the streamlined two-part test, relied on Nimmer's statement of the test. *Atari, Inc. v. North American Philips Consumer Electronics Corp.*, 672 F.2d. 607, 614 (7th Cir. 1982), *cert. denied*, 459 US 889 (1982).

the most difficult questions in copyright law, and one which is the least susceptible of helpful generalizations.

3 Nimmer §13.03[A], p. 13-23.¹⁰

After describing two forms of similarity which satisfy the substantial similarity test¹¹, Nimmer cautions that even a finding of extended similarity does not complete the infringement analysis:

To the extent that such similarity inheres in ideas, which are by definition unprotected, or in expression which is not proprietary to plaintiff, then an essential ingredient is lacking from plaintiff's *prima facie* case.

3 Nimmer §13.03[B][2], p. 13-52.

And, even more pertinent to the present compilation of facts:

Because no copyright may exist in facts *per se*, the copyright in a book dealing with factual matters cannot be infringed by a work that copies such facts, but in a manner in which the particular verbal description of such facts is not copied [citing this Court's *Harper & Row* decision, *supra*].

Id. at p. 13-56.

* * *

Even if the defendant has copied from the plaintiff's copyrighted work, if the only material thus copied are those elements of plaintiff's work which are not protectable, then the resulting copy will not constitute an infringement.

¹⁰ Further reading of *Atari* shows that there, too, the Court recognized that copying which does not involve copying of the protected expression does not satisfy the substantial similarity element of the infringement test. 672 F.2d. at 614-15.

¹¹ Nimmer describes "comprehensive nonliteral similarity" (duplication of the fundamental essence or structure, but without word-for-word copying) and "fragmented literal similarity" (virtual word-for-word copying, but only of a fragment of the copyrighted work. 3 Nimmer §13.03 [A][1], p. 13-24; §13.03[A][2], p.13-41.

Id. at §8.01[D], p. 8-20.

* * *

Similarity which is not "substantial", even if due to copying, is a noninfringing use of the plaintiff's "ideas".

Id. at p. 8-22.2.

Summarizing these criteria, *amicus* IACRDP respectfully suggests that, once ownership of a valid copyright is proven, infringement is established by proof of (1) the act of copying, either by direct evidence or by indirect evidence showing access to the copyrighted work plus substantial similarity of the copyrighted and accused works, and (2) substantial similarity with respect to the protectable expression of the underlying idea, facts or concept.

As applied to a copyrighted compilation of facts, the substantial similarity must be with respect to the expression of those facts, *i.e.*, the selection, coordination and arrangement of the facts. Where, as in *Haines*, the only similarity is in the facts, there is no "substantial" similarity and therefore no infringement.

CONCLUSION

Amicus IACRDP respectfully submits that the lower court judgment should be reversed and the scope of RTSC's copyright in its alphabetical directory should be narrowly confined to the particular expression of the facts employed therein. Its copyrightable aspect so defined, the information contained in such directory could be freely used as a source for names, addresses and phone numbers for incorporation in subsequent works which express those facts in a way which is not substantially similar because of differences in the selection, coordination or arrangement thereof.

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IN THE
Supreme Court of the United States

OCTOBER TERM, 1990

FEIST PUBLICATIONS, INC.,
v. *Petitioner,*

RURAL TELEPHONE SERVICE COMPANY, INC.,
Respondent.

On Writ of Certiorari to the
United States Court of Appeals
for the Tenth Circuit

BRIEF OF ASSOCIATION OF
NORTH AMERICAN DIRECTORY PUBLISHERS,
THE DIRECTORY PUBLISHERS ASSOCIATION,
MEAD DATA CENTRAL, INC.,
AND DONNELLEY MARKETING, INC.
AS *AMICI CURIAE* IN SUPPORT OF PETITIONER
FEIST PUBLICATIONS, INC.

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QUESTION PRESENTED

Whether a copyright on a compilation of factual data published in the form of a directory is a proper basis for the copyright owner to claim a right to preclude the use of the data by others, in light of the statutory admonition that "[t]he copyright in a compilation . . . does not imply any exclusive right in the preexisting material," 17 U.S.C. § 103(b), and the fact that "[c]opyright does not preclude others from using the ideas or information revealed by the author's work." H.R. Rep. No. 1476, 94th Cong., 2d Sess. 56, *reprinted in* 1976 U.S. Code Cong. & Admin. News 5659, 5670.

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**BRIEF OF ASSOCIATION OF
NORTH AMERICAN DIRECTORY PUBLISHERS,
THE DIRECTORY PUBLISHERS ASSOCIATION,
MEAD DATA CENTRAL, INC.,
AND DONNELLEY MARKETING, INC.
AS AMICI CURIAE IN SUPPORT OF PETITIONER
FEIST PUBLICATIONS, INC.**

PRELIMINARY STATEMENT

The Association of North American Directory Publishers, the Directory Publishers Association (the "Associations"), Mead Data Central, Inc. ("Mead"), and Donnelley Marketing, Inc. ("Donnelley Marketing") (the "Companies"), submit this brief as *amici curiae*, pursuant to Rule 37.3 of the Rules of this Court, in support of petitioner Feist Publications, Inc. ("Feist").¹

INTEREST OF THE AMICI CURIAE

The Associations are international trade associations comprised of over 120 publishers of telephone directories. Their members publish "independent" telephone directories, *i.e.*, directories other than those published by or for local telephone companies.²

Mead is an electronic publisher providing online legal, news, and business information, primarily through the LEXIS® and NEXIS® services. Mead has a subsidiary that publishes electronic medical information (Micro-medex, Inc.) and divisions that publish computer software (Jurisoft) and hard copy legal publications (The Michie Company). As a database publisher, Mead is

¹ This brief is submitted on consent of the parties. The written consents of Petitioner and Respondent have been lodged with the Clerk of the Court.

² This Court has already recognized the interest of the Associations in granting their motion for leave to file a brief *amici curiae* in support of the petition for writ of *certiorari* of Feist. *Feist Publications, Inc. v. Rural Tel. Serv. Co.*, No. 88-1679 (10th Cir. March 8, 1990), *cert. granted*, 59 U.S.L.W. 3243 (U.S. Oct. 2, 1990) (No. 89-1909). In the interest of brevity, the Associations incorporate their earlier statement of interest as if fully set forth herein. See Brief of the Association of North American Directory Publishers and the Directory Publishers Association as *Amici Curiae* in Support of Petitioner Feist Publications, Inc., at 1-3.

concerned about compilation copyright issues as they affect Mead's ability to use fact compilations and public domain materials in its databases.

Donnelley Marketing is one of the nation's leading direct marketing firms and maintains a national consumer database of over eighty million United States households. The database is used by a vast "who's who" list of American businesses and industries to test, promote, and market their products and services; political and charitable groups also use the database to identify and communicate with the public. Donnelley Marketing is critically concerned that name, address, and telephone number data in telephone directories, and other public domain data, remain freely accessible and usable in the creation and development of other products and services.

As the Companies' joinder on this brief demonstrates, the compilation copyright issues presented here transcend telephone directories and extend to virtually any medium that incorporates fact data, such as data bases, mailing lists, membership lists, and other fact-based compilations. This Court's ruling on the correct legal basis and scope of copyright protection for fact compilations will bring much needed guidance in an increasingly important area of intellectual property to a wide range of United States businesses and industries.

This case presents particular issues of special interest to the Associations and Companies. The decisions below reflect the invocation of archaic "sweat of the brow" precedents under the copyright laws to afford protection to the labor involved in compilations, rather than, as the Constitution permits, to the "writings" of an "author." The decisions below are a form of judicial regulation of competition in an industry (here, the classified directory advertising (yellow pages) business), in accordance with a particular court's view of what constitutes "fair" and "unfair" competition. Neither the Constitution nor the copyright laws allows copyright to be used other than to protect the "writings" of an "author."

If allowed to stand, the decisions below, like the other "sweat of the brow" telephone directory cases before them, will suggest to local monopoly telephone companies and others that they may control the dissemination and uses of a substantial body of basic, uncopyrightable fact information to the exclusion of the Associations' members, the Companies, and all others. The Constitution and the copyright laws forbid that result.

STATEMENT OF THE CASE

Respondent, Rural Telephone Service Company, Inc. ("Rural Telephone"), is a telephone company granted monopoly status to provide telephone service to subscribers in certain areas of Kansas. Rural Telephone obtains subscriber listing data as a necessary by-product of its monopoly telephone service: When a new resident or business takes the most basic step of obtaining telephone service in a community served by Rural Telephone, Rural Telephone records, *inter alia*, that new customer's name and address as provided by the customer and then clerically provides a telephone number from the four digit suffixes available within the customer's exchange area. Rural Telephone's possession of such data, therefore, results from—and only because of—its actions as a public utility service provider, and not as an "author."

Like most telephone companies, Rural Telephone is required by regulation annually to publish its subscribers' names, addresses, and telephone numbers (the "white pages") in a telephone directory for the area in which it provides telephone service.³ Rural Telephone's directory also includes a separate classified section that lists business subscribers and contains advertisements, organized by descriptive headings, printed on yellow paper (the "yellow pages").

Petitioner, Feist, is an independent publisher of telephone directories containing, *inter alia*, white and yellow

³ Directive of the State Corporation Commission of Kansas (May 1, 1967).

pages. One of Feist's directories covers an area that includes the service area of Rural Telephone. Feist competes with Rural Telephone for yellow pages advertisers.

In preparing its directory, Feist followed, where it could, the customary practice among independent directory publishers of obtaining subscriber listing data under license from the telephone companies.⁴ This practice reflects the business reality that obtaining the most recent data available from the sole practical source of the data, in a convenient form (*e.g.*, on a magnetic tape), is of value to an independent publisher; it says and concedes nothing about the telephone companies' entitlement to assert copyright protection for elemental fact data published in telephone directories. This practice does, however, help to explain the telephone companies' interest in preserving an archaic and impermissibly expansive doctrine of copyright protection for their published directories: If the telephone companies can assert the copyright to prevent resort to the published directory, they can manipulate the quality of competing directories and command an even greater monopoly premium for whatever data they may or may not choose to provide by license from their continuously updated computer databases to independent directory publishers and others. The 1976 Act does not permit a copyright to be used in this manner. *See* 17 U.S.C. § 106.

Because Rural Telephone would not directly provide current subscriber listing data to Feist, Feist used the Rural Telephone directory as a second best source of names, addresses, and telephone numbers of businesses and residences in Rural Telephone's utility service area. Feist used this fact data to publish the white pages portion of its directory. Rural Telephone subsequently filed suit against Feist, alleging that Feist's use of the name, address, and telephone number fact data appearing in the Rural Telephone directory infringed Rural Telephone's copyright.

⁴ *See* Brief of Appellant ("App. Brief"), p. 5; J.A. 51.

The district court held, without analysis, that the copyright in a telephone directory precludes any use of the data in that directory by another publisher for any purpose other than to verify the results of the second publisher's own independent canvass of telephone subscribers. *Rural Tel. Serv. v. Feist Publications*, 663 F. Supp. 214, 219 (D. Kan. 1987) (citing *Central Tel. Co. v. Johnson Publishing Co.*, 526 F. Supp. 838, (D. Colo. 1981) ("*CenTel v. Johnson*")) (Appendix to the Petition for Writ of *Certiorari* ("Cert. App."), p. 13a). Because Feist had not first undertaken the pointless and infeasible task of independently collecting the names, addresses, and telephone numbers of nearly five thousand residents of an eleven county area comprising 16,000 square miles, Brief of Appellant ("App. Brief"), p. 33, the court found that Feist had infringed Rural Telephone's copyright in the directory. *Id.* (Cert. App., p. 14a). The court also rejected Feist's "fair use" defense.

The Tenth Circuit, in an unpublished opinion, affirmed the decision for "substantially the reasons given by the district court." Cert. App., p. 4a.

SUMMARY OF THE ARGUMENT

Copyright is the grant of a limited *statutory* monopoly; it does not exist as a matter of "natural" or common law. *Wheaton v. Peters*, 33 U.S. (8 Pet.) 591, 657-58 (1834).⁵ The starting point for any question concerning copyright is thus the 1976 Copyright Act.⁶

⁵ *See also* Patterson & Joyce, *Monopolizing the Law: The Scope of Copyright Protection for Law Reports and Statutory Compilations*, 36 UCLA L. Rev. 719, 732 (1989) ("*Patterson & Joyce*"). The scheme of state common law copyright for unpublished works that coexisted with the federal statutory copyright for fixed published works was abolished by the 1976 Copyright Act. 17 U.S.C. § 301(a); W. Patry, *Latman's the Copyright Law* 75-76 (6th ed. 1986). The other pertinent consequences of this statutory preemption of state law are discussed in Section VI, *infra*.

⁶ The copyright statute currently in effect and applicable to this case was enacted in 1976 and became effective in 1978. Copyrights Act of 1976, Pub. L. No. 94-553, § 101, 90 Stat. 2541-98 (1976)

This case involves the provisions of the 1976 Act that concern "compilations." Sections 101 and 103(a) of the 1976 Act provide that a compilation of facts or "data" is copyrightable if, and only to the extent that, it embodies sufficient original *authorship* (i.e., original selection, coordination, or arrangement) to constitute, as a whole, an original work of authorship. Section 103(b) also provides that, even where a fact compilation does entail sufficient original authorship to be copyrightable as a whole, the compilation copyright affords no protection against copying, from the compilation, of the pre-existing material (i.e., facts or "data") contained therein. In this respect, the 1976 Act implements the constitutional limits on copyright: Copyright is available only for the "writings" of "authors," and no one can be the author of facts. Facts, like ideas, belong to the public, which is not only permitted, but encouraged, to copy and use them freely. See *Teleprompter Corp. v. CBS*, 415 U.S. 394, 398 n.2 (1974). The statute, in short, equates authorship with original expression.

To implement these limitations on the scope of copyright protection in a compilation of data, such as a telephone directory, a court must clearly identify the copyrightable (i.e., original) authorship of the compiler and distinguish it from the unprotectable data. If all that is taken from the allegedly infringed compilation is the data (such as names, addresses, and telephone numbers), there can be no infringement; only a substantial taking of authorship (i.e., expression) can be an infringement.

(codified as amended at 17 U.S.C. §§ 101-119, 201-205, 301-305, 401-412, 501-510, 601-603, 701-710, 801-810 (1988) ("the 1976 Act"). The 1976 Act, reflecting a "delicate balance of competing interests," *Patterson & Joyce, supra* note 5, at 781, worked out over a twenty year period, was not a mere restatement of the prior law, but a substantial departure in form and substance from the earlier act. See *Harper & Row, Publishers v. Nation Enters.*, 471 U.S. 539, 552 (1985); *Mills Music, Inc. v. Snyder*, 469 U.S. 153, 159-60 (1985); 1 M. Nimmer & D. Nimmer, *Nimmer on Copyright* vi (1990) ("Nimmer") (Preface to the 1978 Comprehensive Treatise Revision) (Copyright Act now like Internal Revenue Code).

The taking of facts or ideas alone cannot constitute infringement by reason of, *inter alia*, Section 102(b) as well as Section 103(b).

The fundamental error in the decisions below, and in the case law upon which those decisions rely, is the failure to recognize that copyright does not and cannot prohibit the copying, from a copyrighted work, of facts or ideas contained in the work. To prohibit the taking of data—whether on an industrious collection ("sweat of the brow") theory or because they appear in conjunction with protected authorship—conflicts with the Constitution and the 1976 Act.

The courts are not at liberty to provide copyright protection or the functional equivalent thereof other than in the manner and to the extent that Congress expressly provides in the copyright law. It is Congress, not the courts, that is entrusted with the responsibility for balancing the competing interests of businesses and the public's interest in determining what is protectable by copyright. The courts below have ignored Congress's determination and instead engrafted upon the copyright law judicially constructed notions of unfair competition and misappropriation, thereby impermissibly substituting their assessment of the balance among competing interests for that of Congress. In so doing, the courts below have taken from the public domain material—in this case, elemental facts—that the Constitution and the copyright law unconditionally commit to the public domain.

ARGUMENT

"As the text of the Constitution makes plain, it is Congress that has been assigned the task of defining the scope of the limited monopoly that should be granted to authors or to inventors in order to give the public appropriate access to their work product." *Sony Corp. v. Universal City Studios*, 464 U.S. 417, 429 (1984).⁷

⁷ U.S. Const. art. I, § 8, cl. 8 confers upon Congress the power "[t]o promote the Progress of Science and useful Arts, by secur-

Congress has carefully sought in the federal copyright law to protect only the *expression* of "ideas" or "facts," and not the "ideas" or "facts" themselves. This "idea/expression dichotomy 'strike[s] a definitional balance between the First Amendment and the Copyright Act by permitting free communication of facts while still protecting an author's expression.'" *Harper & Row, Publishers v. Nation Enters.*, 471 U.S. 539, 556 (1985) (citation omitted) ("*Harper & Row*").⁸

The 1976 Act affirms that the traditional, constitutionally based idea/expression dichotomy in copyright applies to compilations of facts just as it applies to all other "literary works." 17 U.S.C. § 103(a). Where a work—be it a telephone directory, a treatise on history, a collection of court decisions, or some other form of work—contains both protectable original expression of an author and unprotectable (*e.g.*, factual or public domain) material, only the original expression is protected by copyright. *Harper & Row*, 471 U.S. at 556-57; *Banks v. Manchester*, 128 U.S. 244, 251-52 (1888); *Trade-Mark Cases*, 100 U.S. 82, 94 (1879).

The Constitution also prohibits federal courts from formulating a common law gloss on the copyright laws to extend the limited monopoly of copyright protection beyond the limits set by the Constitution and implemented by Congress in the copyright statute. *Erie R.R. v. Tompkins*, 304 U.S. 64 (1938) ("*Erie*"). Federal courts are limited to following the Constitution, acts of Congress, and, where permitted, state law. *Id.* at 78. In the case of copyright, the Constitution empowers Congress to legislate, and Congress has done so, exercising in that process its prerogative to preempt state law.

ing for limited Times to Authors . . . the exclusive Right to their respective Writings"

⁸ It has always been a fundamental principle of the copyright laws, reflecting our societal needs to communicate and to balance the First Amendment guarantee of freedom of speech with copyright protection, that "protection is given only to the expression" of an author's ideas or facts, not to the ideas or facts themselves. *Mazer v. Stein*, 347 U.S. 201, 217 (1954); see also *Baker v. Selden*, 101 U.S. 99, 102-03 (1880) ("*Baker*").

I. THE 1976 COPYRIGHT ACT DEFINES THE NATURE AND SCOPE OF COPYRIGHTS IN COMPILATIONS OF FACTS

A. Nature Of "Compilations"

The work at issue in this case, a combined white and yellow pages telephone directory, is one of a variety of works potentially encompassed within the 1976 Copyright Act's definition of a "compilation." To be copyrightable as a "compilation," a work must meet the 1976 Act's definition of a "compilation," which requires original authorship. The 1976 Act defines a "compilation" as

a work formed by the collection and assembling of preexisting materials or of data *that* are selected, coordinated, or arranged in such a way *that* the resulting work as a whole constitutes an original work of authorship.

17 U.S.C. § 101 (emphasis added).

Only works meeting all three of the conjunctive elements of this definition (as delineated by the emphases) may be "compilations" protected by copyright. 17 U.S.C. § 103(a). Those elements are:

- (1) a collection and assembling of preexisting materials or data;
- (2) that are then selected, coordinated, or arranged in an original manner;
- (3) thereby resulting in a work that is, as a whole, an "original work of authorship."

See W. Patry, *Latman's the Copyright Law* 63-64 (6th ed. 1986).

B. Limitations On The Scope Of Copyright In Compilations

The limitation of copyright in compilations (as defined) to the work as a whole is reinforced by Section 103 (b) of the Act:

The copyright in a compilation . . . extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material. The copyright in such work is independent of, and does not affect or

enlarge the scope, duration, ownership, or subsistence of, any copyright protection in the preexisting material.

17 U.S.C. § 103(b). This provision responds to concerns expressed by the Register of Copyrights that some decisional law under the 1909 Copyright Act had deviated from a proper understanding of copyright law.⁹ As the legislative history of this limitation states:

Section 103(b) [17 U.S.C. § 103(b)] is also intended to define, more sharply and clearly than does section 7 of the present law [former 17 U.S.C. § 7], the important interrelationship and correlation between protection of preexisting and of "new" material in a particular work. The most important point here is one that is commonly misunderstood today: copyright in a "new version" covers only the material added by the later author, and has no effect one way or the other on the copyright or public domain status of the preexisting material.

H.R. Rep. No. 1476, 94th Cong., 2d Sess. 57, reprinted in 1976 U.S. Code Cong. & Admin. News 5659, 5670 (bracketed material added).¹⁰

⁹ Copyright Act of 1909, Ch. 320, 35 Stat. 1075 (recodified 1947, repealed 1976). See Register of the Copyrights, 87th Cong., 1st Sess., *Report on the General Revision of the U.S. Copyright Law* 9-10 (Comm. Print 1961). The Register's position was that former Section 7 afforded copyright protection in compilations "only to the new elements, and does not affect the . . . public domain status of the preexisting material." *Id.* at 9. The Register observed that "[w]hat the present statute fails to make clear is the basic requirement that the new elements must in themselves represent original creative authorship." *Id.* The Register proposed language that became, through editorial revision, Section 103(b) of the 1976 Act. *Id.* A more complete discussion of the pertinent legislative history of this provision will appear in a forthcoming article by Mr. William Patry, Policy Planning Advisor to the Register of Copyrights, United States Copyright Office: Patry, *Copyright in Compilations of Facts, or Why the White Pages of a Telephone Directory Are Not Copyrightable*, 12 *Comm. & Law* 4 (December 1990); see also Patry, *Copyright in Collections of Facts: A Reply*, 6 *Comm. & Law* 11, 20-25 (1984) ("Patry, A Reply").

¹⁰ The legislative history further notes that "[b]etween them the terms 'compilations' and 'derivative works' which are defined

Thus, Sections 101 and 103 establish a complementary pair of principles for determining the nature and scope of copyright in compilations: (1) a work must embody original authorship to be copyrightable as a "compilation," with originality defined by the tripartite conjunctive structure of the definition of "compilations" (17 U.S.C. § 101); and (2) any copyright in a compilation extends only to the compilation as a whole and to the original selection, coordination, and arrangement, and *excludes* from the scope of that copyright the incorporated data (17 U.S.C. § 103(b)).

In addition to the limitations imposed by Sections 101 and 103(b) of the 1976 Act, Section 102(b) codifies the longstanding axiom in copyright law that copyright does not protect ideas, but only the expression of ideas:¹¹

In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work.

17 U.S.C. § 102(b). The effect of this provision here is to make clear that copyright can neither be based upon, nor used to protect, the clerical or mechanical processes or business methods of a compiler, no matter how they are embodied in the compilation; only the authorship (if any) in the finished work is protectable. General or generic concepts concerning the appearance or organization of a fact compilation, being ideas or methods, are not "authorship" and therefore also not protectable by copyright.

in section 101, comprehend every copyrightable work that employs preexisting material or data of any kind." *Id.* Determining the scope of copyright protection available in either type of work, therefore, necessarily requires the same analysis; namely, distinguishing the unprotectable "preexisting material or data" from the protectable authorship (*i.e.*, original expression), if any. See *Stewart v. Abend*, 110 S. Ct. 1750, 1762-63 (1990); Litman, *Copyright, Compromise, and Legislative History*, 72 *Cornell L. Rev.* 857, 859-60 (1987).

¹¹ See *Baker*, 101 U.S. at 102-03.

The white pages of telephone directories typically contain no originality at all; rather, they are just the inevitable product of automated clerical work to array facts in a generic and unoriginal format that makes the directory functional. Therefore, absent an unlikely showing in a particular case that the white pages of a particular telephone directory do embody original authorship in their selection, coordination, or arrangement, the white pages of a telephone directory are not, of themselves, protected by the copyright in a telephone directory.¹²

II. THE 1976 COPYRIGHT ACT PROVIDES COPYRIGHT PROTECTION FOR COMPILATIONS ONLY AS WORKS OF AUTHORSHIP, NOT AS PRODUCTS OF INDUSTRIOUS LABOR

The labor or industriousness ("sweat of the brow") theory adopted by the courts below effectively negates the conjunctive structure of the statutory definition of "compilation" by requiring only one of the three necessary elements: namely, "the collection and assembling of pre-

¹² See *Coolings Sys. & Flexibles, Inc. v. Stuart Radiator, Inc.*, 777 F.2d 485, 492 (9th Cir. 1985) ("*Cooling Sys.*") ("Obviously an alphabetical list is not a protectible form of arranging proper names."); *National Business Lists, Inc. v. Dun & Bradstreet, Inc.*, 552 F. Supp. 89, 93 (N.D. Ill. 1982) ("Indeed, in this case the alphabetizing of a list of names could hardly have been the originality which Congress meant to reward."). Even if the "idea" of an alphabetical list of telephone subscribers' names, addresses, and telephone numbers were copyrightable, that idea long ago entered the public domain. As noted by the Ninth Circuit in *Leon v. Pacific Tel. & Tel. Co.*, 91 F.2d 484 (9th Cir. 1937) ("*Leon*"), Pacific Telephone produced and registered such lists annually between 1908 and 1935. *Id.* at 485. Assuming that Pacific Telephone was the "author" of this format, under the 1909 Act, whatever might have been protected by copyrights entered the public domain no later than 1983. See former 17 U.S.C. § 24 (duration of copyright twenty-eight years, plus forty-seven years resulting from congressional extensions of renewal period during negotiations of 1976 Act). To hold otherwise would mean that the copyright protection, if any, in such a work would be perpetual, in violation of U.S. Const. art. I, § 8, cl. 8, which confers the power of copyright only "for a limited Time to Authors," and of the federal copyright laws enacted thereunder.

existing materials or of data." 17 U.S.C. § 101. The constitutional limitation of copyright protection to the "writings" of "authors," as expressed in the 1976 Copyright Act, requires more. In addition to the industriousness inherent in collecting data (*e.g.*, acquiring or updating them) and assembling data (*e.g.*, putting them in alphabetical or numerical sequence), the 1976 Act requires selection, coordination, or arrangement of the data "in such a way that the resulting work as a whole constitutes an original work of authorship." 17 U.S.C. § 101.

Neither the 1976 Act nor its legislative history contains any express definition of the terms "selected," "coordinated," or "arranged" as used in Section 101. The courts that have undertaken to follow and apply the statutory requirement have recognized that it requires a case-by-case assessment to determine whether a particular work embodies selection, coordination, or arrangement that is both original with the compiler (*i.e.*, not copied from someone else)¹³ and more than merely clerical, mechanical, inevitable, or generic to the particular kind of work. This approach is reflected in a number of recent cases.

In *Eckes v. Card Prices Update*, 736 F.2d 859 (2d Cir. 1984) ("*Eckes*"), for example, the court held that an evaluative guide to baseball cards was a copyrightable compilation, based upon the compiler's exercise of "selection, creativity and judgment" in subjectively classifying baseball cards according to their value and condition. *Id.* at 862-63. The court determined that the compiler's "subjective selection and arrangement of information" was protectable by copyright, and was infringed by the defendant's copying of the plaintiff's subjective evaluation of the cards. *Id.* at 862.

In *Financial Information, Inc. v. Moody's Investors Service*, 751 F.2d 501 (2d Cir. 1984) (Newman, J., con-

¹³ See *Alfred Bell & Co. v. Catalda Fine Arts, Inc.*, 191 F.2d 99, 103 (2d Cir. 1951). The determination of whether a work is sufficiently original to merit copyright protection is one of fact. *Original Appalachian Artworks, Inc. v. Toy Loft, Inc.*, 684 F.2d 821, 824-25 (11th Cir. 1982).

curing) ("*FII-1*"), and *Financial Information, Inc. v. Moody's Investors Service*, 808 F.2d 204 (2d Cir. 1986), *cert. denied*, 484 U.S. 820 (1987) ("*FII-2*"), the Second Circuit twice considered whether "Daily Bond Cards" regarding municipal bonds¹⁴ were copyrightable and, if so, whether the copying of factual information from the cards constituted infringement. The court remanded the first appeal for the prerequisite fact finding of just what authorship—in terms of selection, coordination, or arrangement—there might be, if any, in the daily bond cards.¹⁵ The Second Circuit subsequently affirmed the district court's conclusion on remand that the daily bond cards were not copyrightable, since they did not embody authorship but were, rather, products of a "simple clerical task" of compiling the data from newspapers around the country. *FII-2*, 808 F.2d at 206. The court noted that the 1976 Act "requires that copyrightability not be determined by the amount of effort the author expends, but rather by the nature of the final result." *Id.* at 207.

The Eleventh Circuit in *Southern Bell Telephone & Telegraph Co. v. Associated Telephone Directory Pub-*

¹⁴ The information on the cards "typically include[d] the identity of the issuing . . . municipal authority, the series of bonds being called, the date and price of the redemption, and the name of the trustee or paying agent to whom the bond should be presented for payment." *FII-1*, 751 F.2d at 502.

¹⁵ Concurring in this result, Judge Newman faulted the majority for its apparent reluctance to apply the 1976 Act as it is written and, in this regard, observed:

I do not share the view that Congress, in establishing these criteria [original selection, coordination, or arrangement], or this Court, in insisting that they be satisfied, has defined [sic: defied] the laws of logic or of algebra. The "whole" of a copyrightable "compilation" is not greater than the sum of its "parts." If its "parts" are only the discrete items of data that have been collected, the resulting work is not copyrightable. It may receive a valid copyright only if something has been added to the data: the "authorship" of the compiler in making the requisite selection, coordination, or arrangement of the data.

FII-1, 751 F.2d at 510.

lishers, 756 F.2d 801 (11th Cir. 1985) ("*ATD*"), correctly interpreted the 1976 Act in finding infringement of a telephone directory copyright, stating:

[A] telephone directory compilation whose components are comprised exclusively of information in the public domain can be protected by the copyright laws only as to the selection and arrangement of the compilation, the work as a whole, and not as to the preexisting information.

Id. at 810. The court cited with approval the observation in *Miller v. Universal City Studios*, 650 F.2d 1365, 1369-70 (5th Cir. 1981) ("*Miller*"), that "mere use of the information contained in a directory without a substantial copying of the format does not constitute infringement." As the *ATD* defendant had literally photocopied entire pages of the classified advertising (yellow pages) section of the plaintiff's directory (including, *inter alia*, graphics, artwork, layout, and textual material), the court properly found that the defendant had infringed the copyright protection for the plaintiff's format.

By comparison, the same analysis under different facts led to a finding of no infringement in *Black's Guide, Inc. v. Mediamerica, Inc.*, 1990 Copyright L. Dec. (CCH) ¶ 26,621 (N.D. Cal. 1990). The alleged infringer in *Black's Guide* had copied listings of office space rentals (including address, price, leasing agent, and other relevant data grouped by city) from an existing office leasing guide and used that data to publish a competing guide. *Id.* at 23,684. The court ruled in favor of the defendant on the grounds that (a) the defendant had copied only unprotectable data from the plaintiff's leasing guide, and (b) a comparison of the two works revealed no substantial similarity in the expression or arrangement of the data. *Id.* at 23,687.¹⁶ While there were indeed many sim-

¹⁶ In reaching this conclusion, the court expressed some concern over the possible inconsistency between the Ninth Circuit's cases (such as *Cooling Sys.*) and this Court's decision in *Harper & Row*. *Id.* at 23,686. Those concerns were misplaced because, as noted *infra*, n.28, this Court's citation to *Schroeder v. William Morrow & Co.*, 566 F.2d 3 (7th Cir. 1977) ("*Schroeder*") certainly did not

ilarities in the content and format of the two guides, the court noted that the generic nature of leasing guides permitted "only a narrow range of possible expressions to remain functional,"¹⁷ and that the copyright protection in such a guide was thus extremely limited. *Id.*¹⁸

extend to its stated rationale. This Court's paraphrase of the "Golden Rule" in *Harper & Row*, 471 U.S. at 559 n.3, had to do with fair use, not with the availability or scope of copyright protection.

¹⁷ The court's analysis seems to reflect the "idea/expression merger doctrine," which expresses the principle of copyright law that:

When the "idea" and its "expression" are thus inseparable, copying the "expressions" will not be barred, since protecting the "expression" in such circumstances would confer a monopoly of the "idea" upon the copyright owner free of the conditions and limitations imposed by the patent law.

Herbert Rosenthal Jewelry Corp. v. Kalpakian, 446 F.2d 738, 742 (9th Cir. 1971); *Morrissey v. Procter & Gamble Co.*, 379 F.2d 675, 678 (1st Cir. 1967). Where, as here, the nature of the compilation permits only a narrow range of possible designs or "expressions" to remain functional (i.e., listing alphabetically all telephone subscribers in a calling area), the protection afforded to the compilation must be extremely limited and cannot preclude copying of the "expression" (if any) necessary in order to obtain and use the unprotectable data.

¹⁸ See also *Cooling Sys.*, 777 F.2d at 491-93 (affirming dismissal of infringement claims relating to automotive parts catalog after (1) noting that a compilation copyright holder "can claim to 'own' only an original manner of expressing ideas or an original arrangement of facts" in the compilation, and (2) emphasizing that the relevant test for "substantial similarity" between the plaintiff's and defendant's works "is not whether there is substantial similarity in the total concept and feel of the works, . . . but whether the very small amount of protectible expression in [plaintiff's] catalog is substantially similar to the equivalent portions of [defendant's] catalog"); *Harper House, Inc. v. Thomas Nelson, Inc.*, 889 F.2d 197, 201-05 (9th Cir. 1989) (after noting that "[i]ssues involving the availability and extent of copyright protection . . . present mixed questions of law and fact," court held that an "organizer" (a kind of pocket calendar and notebook) enjoyed "only extremely limited copyright protection," and that infringement could only be found if there were "bodily appropriation of

III. UNDER THE PROPER STATUTORY ANALYSIS, FEIST TOOK NOTHING COPYRIGHTABLE, SO THERE WAS NO INFRINGEMENT

In this case, it was conceded on appeal that the telephone directory published by Rural Telephone, as a whole, is copyrightable. App. Brief, p. 13. That concession only relieved the courts below of the task of determining whether the Rural Telephone directory did, in fact, embody sufficient original authorship to be protectable at all.¹⁹ Since the scope of copyright protection for Rural Telephone's directory cannot exceed the copyrightable original authorship in the directory, however, it remained necessary for the courts to determine just what it is that constitutes original authorship in the Rural Telephone book. This was not done.

Given the concession as to copyrightability, an efficient approach would have been to determine whether what Feist was accused of copying was unprotectable data or protectable authorship. This approach is similar in concept to that approved in *Hoehling v. Universal City Stu-*

expression,' . . . [by] copying or unauthorized use of substantially the entire item") (quoting *Worth v. Selchow & Righter Co.*, 827 F.2d 569, 573 (9th Cir. 1987), cert. denied, 485 U.S. 977 (1988) (other citations omitted)). The court in *Harper House* reversed a jury verdict in favor of the plaintiff because the district court's jury instructions failed adequately to distinguish between protected and unprotected material in the compilation and thereby permitted infringement to be found "based upon the direct copying of such unprotected material." *Id.* at 208.

¹⁹ The Associations concur that a typical telephone directory, composed of a distinctive cover, original text, and originality in the presentation of advertising material (generally in the yellow pages) embodies sufficient original authorship to warrant copyright protection for those limited elements of original authorship and against literal copying of the entire directory. The general format or structure of a telephone directory, comprising an alphabetical list of subscribers on white paper, a classified list of business subscribers mixed with advertising on yellow paper, and textual material, is, of course, generic to the concept of a telephone directory and clearly unprotectable.

dios, 618 F.2d 972 (2d Cir.), *cert. denied*, 449 U.S. 841 (1980) ("*Hoehling*"). Had the courts below done this, it would have become apparent immediately that no infringement of copyright had occurred. The complaint itself reveals that the claim of infringement in this case rests entirely upon the defendant's copying of "listings from plaintiff's copyrighted telephone directory." J.A. 9. "Listings" means names, addresses, and telephone numbers of subscribers to telephone service. Plaintiff's Motion for Summary Judgment, p. 8. Such names, addresses, and telephone numbers are prototypical examples of the sort of facts or "data" for which copyright protection is unavailable as a matter of law under the 1976 Act. There is not even an allegation that copyrightable authorship was copied. The complaint should therefore have been dismissed.

IV. THE COURTS BELOW IGNORED THE STATUTORY PREREQUISITES TO, AND LIMITATIONS ON, COPYRIGHT OF COMPILATIONS OF FACTS

The courts below ignored the plain requirements of the 1976 Act by failing to identify or discuss just what (if any) copyrightable original authorship is embodied in the Rural Telephone directory *as a whole* (the only basis of the asserted copyright), much less whether any copyrightable original authorship was present in the *white pages* section of the Rural Telephone directory. Instead, the courts below concluded that the mere taking of subscriber listing data constituted an infringement. The analysis and conclusions of the courts below are, therefore, irreconcilable with the 1976 Act.

The district court held, as a matter of law, that "the white pages of a telephone directory constitute original work of authorship and are, therefore, copyrightable under either the provisions of 17 U.S.C. § 102 or § 103." Cert. App., p. 10a. The court's opinion articulates no basis—factual or legal—for this conclusion apart from a string cite to cases, some of which, in generally conclu-

sory terms, have so held. Cert. App., p. 9a.²⁰ The Tenth Circuit approved this approach without further explanation. Cert. App., p. 3a.

Notably, none of the cases cited by the courts below applies the relevant legal requirements of the 1976 Act to the facts of this case.²¹ Indeed, only three of the

²⁰ The district court also cited an article by Professor Denicola, Cert. App., p. 10a, the stated premise of which is that "total labor of production," rather than authorship, should be the basis for copyright protection in fact compilations and other fact works. Denicola, *Copyright in Collections of Facts: A Theory for the Protection of Nonfiction Literary Works*, 81 Colum. L. Rev. 516, 530 (1981). Essentially, Professor Denicola takes exception to Congress's treatment of fact compilations and other nonfiction works in the 1976 Act. Professor Denicola's argument and analysis are criticized and refuted persuasively in Patry, *A Reply*, *supra* note 9, at 11. Whatever the merits of Professor Denicola's theory as a matter of policy, it is not the theory that Congress chose to incorporate into the 1976 Act.

²¹ The district court below cited the following cases: *Hutchinson Tel. Co. v. Frontier Directory Co.*, 770 F.2d 128 (8th Cir. 1985) (court focused on efforts of plaintiff in compiling directory as basis for copyright protection); *ATD*, 756 F.2d 801 (finding infringement based on copying of coordination or arrangement (i.e., "format")); *Leon*, 91 F.2d at 484 (pre-1976 Act case holding that "industrious collection" alone merits copyright protection); *CenTel. v. Johnson*, 526 F. Supp. 838 (assuming copyrightability of facts based on registration certificate, without analysis of 1976 Act requirements); *Southwestern Bell Tel. Co. v. Nationwide Indep. Directory Serv.*, 371 F. Supp. 900 (W.D. Ark. 1974) (pre-1976 Act case citing *Leon* with approval); *Southern Bell Tel. & Tel. Co. v. Donnelly*, 35 F. Supp. 425 (S.D. Fla. 1940) (pre-1976 Act case finding copyrightability of subscriber listing data based on copyright on directory as a whole); *Cincinnati & Suburban Bell Tel. Co. v. Brown*, 44 F.2d 631 (S.D. Ohio 1930) (pre-1976 Act case granting relief because defendants failed to appear without any finding that defendants' use of plaintiff's directory listings was illegal); *Hartford Printing Co. v. Hartford Directory & Publishing Co.*, 146 F. 332 (D. Conn. 1906) (pre-1976 Act case following precedent holding copyrightability based on labor, but questioning how copyright on directories promotes useful arts and sciences). The Tenth Circuit cited three of these cases in its opinion, *Hutchinson*, *ATD*, and *Nationwide*,

cases cited by the district court were decided after the effective date of the current copyright statute,²² and none of them actually cites Section 103(b) of the 1976 Act (although the Eleventh Circuit's decision in *ATD* correctly acknowledges the limiting effect of that provision of the statute. *See ATD*, 756 F.2d at 810).²³

The first and most recent case cited by the district court is the Eighth Circuit decision in *Hutchinson Telephone Co. v. Fronteer Directory Co.*, 770 F.2d 128 (8th Cir. 1985) ("*Hutchinson*"), which cites only Sections 101, 102(a), and 103(a) of the 1976 Act, and asserts, based solely on a portion of the legislative history of Section 102(a), that "[i]t thus appears that Congress intended that directories be copyrightable, thereby ratifying an unbroken line of cases holding telephone directories to be copyrightable." *Id.* at 131. In fact, as noted above, the legislative history of Section 103(b) clearly indicates Congress's intent to *reject* some of the decisional law in this area, which had so "commonly misunderstood" the fundamental distinction between protectable and unprotectable materials or data in compilations.²⁴ Even if Congress had not explicitly so stated, the obvious inconsistency between the pre-1976 case law and the requirements of the subsequent statute would have to be resolved by following the statute rather than inconsistent cases under a prior statute. *See Community for Creative Non-Violence v. Reid*,

and added a citation to *United Tel. Co. v. Johnson Publishing Co.*, 855 F.2d 604 (8th Cir. 1988), a case decided after the district court issued its opinion.

²² *Hutchinson*, *ATD*, and *Centel v. Johnson*.

²³ The Eleventh Circuit's *ATD* decision recognizes the limited scope of copyright protection for fact compilations under the 1976 Act in a case involving photocopying of entire pages of the yellow pages (classified) section of a telephone directory. By illustrating what might constitute infringement of the copyright in a work such as a telephone directory under the 1976 Act, the *ATD* decision serves only to confirm the error of the opinions below.

²⁴ *See* discussion, *supra*, at 10-11.

109 S. Ct. 2166, 2177 (1989) ("*CCNV*") ;²⁵ *Bourjaily v. United States*, 483 U.S. 171, 177-79 (1987) ; *see also FII-1*, 751 F.2d at 510 ("The fact that some language in early cases . . . supported a view that copyright protection should be extended solely because of laborious effort is no reason for us to disregard the statutory criteria [authorship in the form of original selection, coordination, or arrangement] that Congress articulated in 1976 when it enacted the current statute. The 'sweat of the brow' rationale is no substitute for meeting one of those statutory criteria.").

The impossibility of reconciling the old "sweat of the brow" telephone directory cases with the requirements and limitations of the 1976 Act is perhaps best demonstrated by analysis of an Eighth Circuit opinion cited below by the Tenth Circuit. That opinion, *United Telephone Co. v. Johnson Publishing Co.*, 855 F.2d 604 (8th Cir. 1988) ("*United v. Johnson*"), found the taking from the white pages of a telephone directory of names, addresses, and telephone numbers to constitute copyright infringement. The court did so by a process of reverse logic wholly incompatible with the 1976 Act.

The first step in the *United v. Johnson* court's analysis was the apparently presumptive determination that the name, address, and telephone number data collected and assembled in the white pages section of the telephone company's directory (not the telephone company's directory as a whole, which was the basis of the copyright registration on which suit was brought) was a "compilation." This led directly to the apparently foregone conclusion that the white pages section of a telephone directory, of itself, fulfilled the statutory requirements for selection, coordination, or arrangement. *Id.* This approach

²⁵ In *CCNV*, 109 S. Ct. at 2177, the Court found that a number of decisions concerning the work for hire provision of the 1976 Act (17 U.S.C. § 201(b)) failed to recognize that the 1976 Act departed from, and thus supplanted, the prior case law. Accordingly, the Court overruled the inconsistent decisions. *Id.* at 2177. The Court should do likewise here.

was erroneous, because the existence of a copyright in any "compilation" (here, the entire directory) does not, of itself, establish exclusive rights in any particular part or element of the directory; a further finding that the part or element in question is original authorship is required before protection may be extended to it.

The *United v. Johnson* court proceeded to acknowledge that Section 103(b) of the 1976 Act precludes copyright protection for data and limits copyright in a compilation to the "protected expression." The court simply assumed, however, that there must be some "expression" (authorship) in the white pages. This apparently was deduced from the erroneous presumption that anything that can be called a "compilation" (in the common, rather than statutory, sense of the term) is copyrightable. 855 F.2d at 608. As previously shown, however, the statute sets a higher standard, and a copyrightable "compilation" must fulfill the statutory prerequisites.

The court then disposed of the limitation imposed by Section 103(b) of the 1976 Act by the artifice of defining the names, addresses, and telephone numbers in the previous year's white pages as the "preexisting material" and the names, addresses, and telephone numbers added and deleted in the process of collecting and assembling the current year's book as the "protected expression of the preexisting names, addresses, and telephone numbers of [the telephone company's] subscribers." *Id.* Since the alleged infringer (the publisher of a different form of directory, called a city directory, that contains personal and demographic information not included in a telephone directory) had taken from the telephone directory the "new" names, addresses, and telephone numbers, the court concluded that there had been a taking of protected expression. *Id.*

This treatment fails analysis for the obvious reason that names, addresses, and telephone numbers are and never cease to be elemental facts—not authorship or expression—and cannot be the subject of copyright protection, regardless of the point in time at which they or any

other data are collected or assembled. Research is not copyrightable. *Miller*, 650 F.2d at 1370-71; *Hoehling*, 618 F.2d at 979; see *Nimmer*, *supra* note 6, §§ 2.03[E], 2.11[A]. Simply calling data "protected expression of pre-existing facts" does not transform the data, or the "research" by which they are collected, into copyrightable expression.

The actual concern of the *United v. Johnson* court was not the protection of original authorship but with assuring to the plaintiff telephone company a competitive position *vis-a-vis* the defendant that the court deemed appropriate. This is revealed in the "substantial similarity" discussion, where the court observed that "an area resident who owns [the defendant's] city directory would find little reason to refer to the [plaintiff's telephone directory]." 855 F.2d at 609. In other words, the real concern here, as in all of the "sweat of the brow" cases, is regulation of the competitive relationship between the parties to the lawsuit, not intellectual property protection for the "writings" of "authors."

It simply is not possible to reconcile this sort of judicial regulation of competition with the 1976 Act: The "sweat of the brow doctrine" is fundamentally incompatible with the statute. See *FII-2*, 808 F.2d at 207; *Nimmer*, *supra* note 6, § 3.04 at 3-17 to 3-20.

V. THE INDEPENDENT CANVASS REQUIREMENT IMPOSED BY THE COURTS BELOW CANNOT BE RECONCILED WITH THE STATUTE

The failure by the lower courts and the other minority circuits²⁶ to conform their infringement determinations to the requirements of the 1976 Copyright Act is demonstrated by the "independent canvass" obligation they im-

²⁶ The decisions below adopt the "sweat of the brow" doctrine as applied by the Seventh and Eighth Circuits. See *Rockford Map Publishers, Inc. v. Directory Serv. Co.*, 768 F.2d 145 (7th Cir. 1985), *cert. denied*, 474 U.S. 1061 (1986) ("*Rockford Map*"); *Illinois Bell Tel. Co. v. Haines & Co.*, 905 F.2d 1081 (7th Cir. 1990) ("*Haines*"), *petition for cert. filed*, No. 90-731 (Nov. 2, 1990); *Hutchinson*, 770 F.2d 128.

pose on subsequent compilers.²⁷ The practical effect of this requirement is to confer upon the first compiler of facts a virtual monopoly in them. This result is irreconcilable with a constitutional and statutory scheme that extends copyright protection only to authorship and not only denies such protection to facts or ideas, but promotes access to, copying, and use of such facts or ideas by others.

The "sweat of the brow" minority generally justifies the prior canvass requirement by citation to the 1922 and 1937 decisions in *Jeweler's Circular* and *Leon*; these cases, however, have been expressly disavowed by the majority²⁸ (including the very courts that decided them) on the ground that such a requirement is inconsistent with the 1976 Copyright Act.

The Second Circuit, for example, disavowed the reasoning of its 1922 opinion in *Jeweler's Circular* in light of the 1976 Act, stating as follows:

The [1976 Act] thus requires that copyrightability not be determined by the amount of effort the author expends, but rather by the nature of the final result. To grant copyright protection based merely on the "sweat of the author's brow" would risk putting large

²⁷ The prior independent canvass requirement was recently described by the Seventh Circuit as follows:

[A] second compiler may check back his independent work upon the original compilation. The right to "check back" does not imply a right to start with the copyrighted work. Everyone must do the same basic work, the same "industrious collection."

Rockford Map, 768 F.2d at 149 (citing *Jeweler's Circular Publishing Co. v. Keystone Publishing Co.*, 274 F. 932, 935 (S.D.N.Y. 1921), *aff'd*, 281 F. 83 (2d Cir.), *cert. denied*, 259 U.S. 581 (1922) ("*Jeweler's Circular*").

²⁸ In addition to the Second and Ninth Circuits (as discussed in text *infra*), the Fourth, Fifth, and Eleventh Circuits also do not follow the "sweat of the brow" doctrine, but instead properly follow the 1976 Act by requiring original authorship, rather than labor, to support copyright and determine its scope. See *Konor Enters. v. Eagle Publications, Inc.*, 878 F.2d 138, 140 (4th Cir. 1989); *ATD*, 756 F.2d at 809-10; *Miller*, 650 F.2d at 1369-70.

areas of factual research material off limits and threaten the public's unrestrained access to information.

FII-2, 808 F.2d at 207; see also *FII-1*, 751 F.2d at 506; *Eckes*, 736 F.2d at 862-63. Likewise, in disapproving its 1937 decision in *Leon*, the Ninth Circuit said in 1987 that:

We . . . cannot subscribe to the view that an author is absolutely precluded from saving time and effort by referring to and relying upon prior published material. . . . It is just such wasted effort that the proscription against the copyright of ideas and facts, and to a lesser extent the privilege of fair use, are designed to prevent.

Worth v. Selchow & Righter Co., 827 F.2d 569, 574, *cert. denied*, 485 U.S. 977 (1988); *Cooling Sys. & Flexibles, Inc. v. Stuart Radiator, Inc.*, 777 F.2d 485, 491.²⁹

²⁹ Notwithstanding the Ninth Circuit's disapproval of *Leon*, the Seventh Circuit again cited the decision this past summer in support of the proposition that "[o]ur conclusion that [telephone] directories are copyrightable finds ample support from several circuits and the Supreme Court." *Haines*, 905 F.2d at 1085. In support of this statement, the Seventh Circuit further relied upon this Court's citation in *Harper & Row*, 471 U.S. at 547, to the Seventh Circuit's *Schroeder* decision, 566 F.2d 3, for the proposition that "'a compilation of pure fact, entails originality.'" *Haines*, 905 F.2d at 1085 (citations omitted). What the Seventh Circuit failed to mention, and what this Court most certainly did not embrace, is the *Schroeder* court's further holding that "only 'industrious collection,' not originality in the sense of novelty, is required" for a finding of copyrightability. *Schroeder*, 566 F.2d at 5. That holding cannot be reconciled with the 1976 Act, which requires more than industrious collection but does not require "novelty" to support a copyright in a compilation of facts. The constitutional and statutory prerequisite for a copyright is *original authorship*. The failure of the Seventh Circuit to acknowledge this requirement may explain that court's persistence in extending copyright protection to uncopyrightable facts in contravention of the 1976 Act. But see *Nash v. CBS*, 899 F.2d 1537 (7th Cir. 1990).

In lieu of following the 1976 Act, the Eighth Circuit in *Hutchinson*, also chose to follow the Ninth Circuit's decision in *Leon*, 91 F.2d 484, which in turn followed the Second Circuit's decision in *Jeweler's Circular*, 281 F. 83. The Eighth Circuit chose to follow

VI. THE COPYRIGHT ACT EXPRESSLY PREEMPTS EQUIVALENT RIGHTS AND REMEDIES SUCH AS THE "SWEAT OF THE BROW" TEST

In operation, the "sweat of the brow" doctrine employs the vehicle of copyright to vindicate a particular court's view of the appropriate reward for the labor and money invested in the collection and assembly of facts or data. *National Business Lists, Inc. v. Dun & Bradstreet, Inc.*, 552 F. Supp. 92, 94-95 (N.D. Ill. 1982) ("[T]he courts have long afforded protection under the copyright laws against appropriation of the fruits of the compiler's industry. * * * The protection of the compiler's labor has been a basis for protecting telephone directories [citing, *inter alia*, *Leon*], . . . rating books, hotel and restaurant guides, . . . racing information, . . . jewelers' names and trademarks [citing *Jeweler's Circular*], cable and telegraphic codes, . . . and garden supplier lists."); *Nimmer, supra* note 6, § 3.04. In some of the telephone directory cases including this case and *Hutchinson*, the extension of copyright to unprotectable facts in the white pages (alphabetical) section of telephone directories is sought by, and granted to, the telephone companies in aid of their efforts to compete in the business of selling yellow pages (classified) directory advertising.

The holdings below result from the courts' view that Feist's use of the subscriber listing data in Rural Telephone's white pages was somehow competitively "unfair." In reaching this result, however, the courts ignored the authorship requirement in the 1976 Act and, instead, redrew for themselves the carefully drawn line between what should and should not be protected by copyright by engrafting common law notions of unfair competition onto the 1976 Act. It is unclear whether the lower courts (and the decisions to which they cite) have relied upon some form of judge-made federal common law of unfair competition or upon state unfair competition law as authority

these cases even though both had previously been disavowed by the circuits that decided them.

for redrawing the scope of copyright protection under the 1976 Act. In either case, they have acted beyond their authority.

The Constitution prohibits the federal courts from amending the Copyright Act through judge-made federal common law. *Erie*, 304 U.S. at 78. To the extent that the minority courts are borrowing state common law principles in their decisions, Section 301 of the 1976 Act expressly preempts such remedies. 17 U.S.C. § 301. As explained by the Tenth Circuit itself in *Ehat v. Tanner*, 780 F.2d 876, 877-78 (10th Cir. 1985), *cert. denied*, 479 U.S. 820 (1986) ("*Ehat*"):

Congress expressly stated that section 301 is intended to prevent "the States from protecting . . . [a work] even if it fails to achieve Federal statutory copyright because it is too minimal or lacking in originality to qualify, or because it has fallen into the public domain." H. R. Rep. No. 1476, 94th Cong. 2d Sess. 131, reprinted in 1976 U.S. Code Cong. & Ad. News 5659, 5747. State law forbidding others to copy an article "unprotected by a patent or a copyright . . . would interfere with the federal policy, found in art. I, § 8, cl. 8, of the Constitution and in the implementing federal statutes, of allowing free access to copy whatever the federal patent and copyright laws leave in the public domain." *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234, 237 [other citations omitted]; see also *Suid v. Newsweek Magazine*, 503 F. Supp. 146, 148 (D.D.C. 1980).

Recognizing this mandate, the Tenth Circuit in *Ehat* refused to extend, under state common law claims, the equivalent of copyright protection to a researcher's copies of historical quotations. The copied quotations had been recopied by the defendants, without authorization, from the researcher's notes and then reproduced and sold to the public. *Id.* at 877. As the copied quotations were not copyrightable under either Section 102 or 103 of the 1976 Act, the Tenth Circuit ruled that the plaintiff's common law claim of misappropriation was preempted:

[W]e see no distinction between such a state right and those exclusive rights encompassed by the federal copyright laws. See *Warner Bros., Inc. v. American Broadcasting Cos.*, 720 F.2d 231, 247 (2d Cir. 1983) ("state law claims that rely on the misappropriation branch of unfair competition are preempted"); [other citations omitted]. * * * [Plaintiff] "cannot achieve by an unfair competition claim what [he] failed to achieve under [his] copyright claim." See *Durham Industries v. Tomy Corp.*, 630 F.2d 905, 918 (2d Cir. 1980).

Ehat, 780 F.2d at 878-79.

The Tenth Circuit has turned its own analysis of the 1976 Act in *Ehat* upside down here. Comparison of the decision in *Ehat* with the decision below vividly demonstrates how the "sweat of the brow" jurisprudence adopted and followed by the minority circuits has resulted in giving telephone directories more extensive copyright protection than other fact works despite the absence of any statutory basis for such disparate treatment. The courts may not, by the application of state statutory or common law principles, regulate the exploitation of fact information by the public—including, as in this case, potential competitors of the allegedly infringed party. See *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 109 S. Ct. 971, 985 (1989) ("*Bonito Boats*") (States "are simply not free . . . to offer equivalent protections" to that which Congress "has determined should belong to all."); *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 231 (1964) ("Just as a State cannot encroach upon the federal patent laws directly, it cannot, under some other law, such as that forbidding unfair competition, give protection of a kind that clashes with the objectives of the federal patent laws."); *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234, 237 (1964) ("[W]hen an article is unprotected by a patent or a copyright, state law may not forbid others to copy that article."); *Peckarsky v. ABC*, 603 F. Supp. 688, 695 (D.D.C. 1984) (purpose of broad statutory preemption scheme in Copyright Act

is to further Act's goal of encouraging contributions to recorded knowledge by precluding use of state law to prevent copying of material that Congress has determined should be left in public domain).

As explained in the context of the much-criticized *West Publishing* decision:³⁰

[A]s a matter of equity, conscience, or prejudice, a judge may think it unfair that a publisher which has invested millions in publishing law reports should be without legal protection against citation of those reports by another. But the judge is not free to impose that sense of injustice upon the defendant by declaring that he or she has infringed the plaintiff's copyright by taking from the reports elements which copyright law does not protect. To confuse copyright with unfair competition . . . contravenes section 301 and upsets the delicate balance of competing interests—including, in addition to the property rights of the copyright owner, the public's interest in the accessibility of public domain materials—which the 1976 Act was designed to achieve.

Patterson & Joyce, *supra* note 5, at 781.³¹ Reversal of the decision below will not only bring the law of compilation copyright into harmony with the intent of Congress under the 1976 Copyright Act, but also with the Tenth Circuit's own analysis of that intent in *Ehat*.

³⁰ *West Publishing Co. v. Mead Data Central, Inc.*, 616 F. Supp. 1571 (D. Minn. 1985), *aff'd*, 799 F.2d 1219 (8th Cir. 1986), *cert. denied*, 479 U.S. 1070 (1987).

³¹ Section 301 does preserve to the states causes of action based on "legal or equitable rights that are not equivalent to any of the exclusive rights within the general scope of copyright as specified by section 106." 17 U.S.C. § 301(b)(3). Thus, for example, a state law cause of action for unfair competition involving false labeling or fraudulent representation would not be preempted and would serve generally to protect consumers from confusion as to source. See *Bonito Boats*, 109 S. Ct. at 981.

CONCLUSION

For the foregoing reasons, the decision of the United States Court of Appeals for the Tenth Circuit should be reversed.

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IN THE
Supreme Court of the United States

OCTOBER TERM, 1990

FEIST PUBLICATIONS, INC.,

Petitioner,

v.

RURAL TELEPHONE SERVICE COMPANY, INC.,

Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES
COURT OF APPEALS FOR THE TENTH CIRCUIT

**BRIEF OF DIRECT MARKETING
ASSOCIATION, INC. AS AN AMICUS CURIAE
IN SUPPORT OF PETITIONER**

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No. 89-1909

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On Writ of Certiorari to the United States Court of Appeals
for the Tenth Circuit

**BRIEF OF DIRECT MARKETING
ASSOCIATION, INC. AS AN AMICUS CURIAE
IN SUPPORT OF PETITIONER**

QUESTION PRESENTED

Does the copyright in a telephone directory by the telephone company prevent access to that directory as a source of names and numbers to compile a competing directory, or does copyright protection extend only to the selection, coordination, or arrangement of those names and numbers?

INTEREST OF AMICUS CURIAE¹

Direct Marketing Association, Inc. ("DMA"), incorporated under the Not-For-Profit Corporation Law of the State of New York, is the largest and oldest trade association serving the vast

¹ Consent to file the within brief in support of petitioner was given by both parties and has been separately filed with the Clerk of the Court.

community in direct-to-the consumer advertising and marketing. Its members are firms engaged in or associated with marketing goods and services through direct response methods, which include, quite importantly, the use of direct marketing telephone and mailing lists.

DMA's membership numbers more than 3,000 firms located in 50 states and 44 foreign countries, the great majority of which would, in one way or another, be adversely affected by a decision of this Court which would restrict the availability of and access to information and data. DMA's objectives, as expressed in its constitution and by-laws, include providing information, education, representation and forums for the advancement of the use of direct marketing. It engages in positive efforts to communicate and explain the values of direct marketing to government agencies and other public bodies and fosters industry-consumer relationships in an attempt to improve the environment in which direct marketers operate.

DMA's long-term commitment to the free flow of information, especially commercial information, and its sensitivity to privacy as it applies to that flow, helps it serve an industry which is largely dependent upon its ability to communicate its messages to those who are most likely to be receptive to them.² Foreclosure from or increased difficulty in reaching the right people ultimately will sound the death knell of direct marketing as it is now known inasmuch as the unavailability of or reduction in information about potential consumers will frustrate the continual attempt to better target the marketplace.

It is important to recognize the many economic and social benefits of direct marketing. An ever increasing number of businesses, large and small, are turning to this form of marketing

² Because access to information and data is bedrock to direct marketers, DMA was invited to, and recently participated in, a series of meetings with the Director of Consumer Affairs and Special Adviser to the President which resulted in the development of a set of principles to insure the protection of consumer privacy when compiling, using and transferring information of a personal nature.

to sell products and services. It is an effective and efficient way to communicate information about available goods to targeted audiences. As a measure of its economic importance, and consumer acceptance, mail and telephone order consumer sales volume has expanded to billions of dollars annually.

The benefits to consumers are many. This increased activity has intensified competition, leading to broader consumer choices and sharper competitive pricing. Direct marketing provides consumers with more specific information on product characteristics, prices, colors and sizes than any other major advertising medium. For many consumers — particularly those who reside away from major metropolitan areas — shopping by mail or telephone provides special opportunities to seek a wider selection of products than would otherwise be available. Direct marketing provides maximum convenience because of the virtues of shopping at home. This benefit is of particular significance, for example, to the elderly as well as to the increasing number of families with both heads of household working.

Similar benefits are enjoyed by businesses in their capacity as purchasers. Business-to-business direct marketing allows suppliers of goods and services to firms to market their products economically and efficiently, and to reach more purchasers than ever before.

In addition to its benefits to consumers and commerce, direct marketing has proven to be an indispensable fundraising and communications medium for charitable causes and the political process. Direct marketing is simply selling things directly to consumers.

Within the increasingly expanding field of direct marketing, entire industry segments have evolved as a result of the development of database marketing, advanced technology, the transfer of marketing information and marketing list transactions. These segments include major corporations as well as small firms and sole proprietorships and are involved in every aspect of providing information services to users of direct marketing.

As a result, the marketplace is ever searching for new sources of information as well as for existing sources which provide the kind of information required by direct marketers to help them obtain and better service their customers. Information including demographics, geographics and purchasing habits, for example, are essential for the maintenance and improvement of direct marketers' ability to sell their goods and services.

Any restrictions on the access to information or data which enhance a marketer's ability to sell, embellish or update the information or data already maintained by a marketer, are detrimental to the overall cause of direct marketing. To allow only certain competitors access to such information, i.e., the marketing divisions of the regional telephone companies, while foreclosing others is highly destructive.³ It is submitted that not only will direct marketers lose by such selective access, but the public will lose as well.

DMA members represent every functional level of industry — manufacturing, wholesale and retail. As direct mail advertising and marketing techniques are used by each of them as an integral part of conducting their respective businesses, any decision by this Court that abridges or restricts their access to information and data must have a significant and direct impact on DMA's membership.

SUMMARY OF ARGUMENT

Section 101 of the Copyright Act defines what is copyrightable and therefore protectible with regard to a compilation. Merely to pay lip service to the well-established tenet that copyright protects the original selection, coordination or arrangement, but not the underlying facts, of a compilation, but then to insulate the copyright owner from competition with respect to those

³ The unregulated marketing arm of the telephone company receives the data for its own use, and typically at nominal cost, long before they appear in a published directory. Competitors do not gain access at all, or must wait until the data are published in a directory at which time substantial fees must be paid to the telephone company.

facts,⁴ would go far beyond the limited monopoly intended by the Framers.

To see to it that such a result does not occur, "substantial similarity" must remain the *sine qua non* of infringement under the circumstances presented by the question under review. Thus, a second comer's directory must simulate any original selection, coordination or arrangement of the copyright owner before infringement may be found. Anything less than that would protect the underlying facts of the compilation by finding infringement where the respective arrangements were dissimilar.

Employing a "sweat of the brow" test to reward a compiler ignores the statutory requirement of originality and deprives the public of otherwise public domain material and of the opportunity to enhance prior writings and discoveries. *Miller v. Universal City Studios, Inc.*, 650 F.2d 1365 (5th Cir. 1980). Protection of facts would be arrogated to those who merely obtain or discover them and list them first.

It would be antithetical to the Copyright Clause of the Constitution to permit one who receives or discovers facts and compiles them in a directory to prevent others from access to those facts. The Copyright Clause is intended to provide an incentive for others to advance the state of the art, not to create an impediment for them. The purpose of the copyright grant is to induce authors to add to the pool of public knowledge, not to subtract from it. *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 109 S. Ct. 971, 975 (1989); *Graham v. John Deere Company*, 383 U.S. 1, 5-6 (1966).⁵

⁴ This is particularly so where the copyright owner is a telephone company which gains access to the facts as a result of its monopoly status and competitors have no practical access to them other than from the telephone company's published directory.

⁵ Although *Graham* was decided in the context of the Patent Law, the authority for the grant of patents and copyrights derives from the same source. U.S. Constitution, Article I, Section 8, Clause 8. See *Sony Corp. of Am. v. Universal City Studios*, 464 U.S. 417, 439 (1984) (where precedent in copyright cases is lacking, it is proper to look for guidance to the patent law because of the historic kinship between patent and copyright law).

Extension of the grant of copyright to a point which prevents others from accessing and using public domain facts also is an impingement on the freedom of expression. Every potential author is entitled to express his own views and create his own version of someone else's ideas or publicly available facts.

The question presented seeks a determination of whether the copyright in a telephone directory by the telephone company prevents access to that directory as a source of names, addresses and numbers to compile a competing directory. Petitioner as well as all other members of the public, including members of DMA, as a matter of law should be entitled to primary and initial access to respondent's telephone directory as a source of underlying facts.

It should be made plain that the underlying facts of a compilation, such as the names, addresses and telephone numbers of the white pages of a telephone directory, are not copyrightable and are free to be copied. 17 U.S.C. § 103(b) (1977); *Worth v. Selchow & Righter Co.*, 827 F.2d 569, 572 (9th Cir. 1987), cert. denied, 485 U.S. 977 (1988). Because respondent's copyrighted telephone directory is merely a compilation of unprotectible facts, a finding of virtually identical copying of any original selection, coordination or arrangement should be required before infringement may be found. *Id.*

The Court has certified a single question for review which contains certain unique and critical operative facts. It is respectfully requested that the Court limit its decision to the question presented and make it clear that no precedent is being set and no inferences should be drawn with respect to circumstances which factually differ from those contained in the certified question. *Armour & Co. v. Wantock*, 323 U.S. 126, 132-33 (1944).

Specifically, it is requested that the Court emphasize the importance of the facts that: (a) the compilation under consideration is a telephone directory, (b) the copyright owner is a telephone company, and (c) the alleged infringer is a direct competitor of the copyright owner. The public nature of the work and its underlying facts, the government-sanctioned monopoly

position of the copyright owner and the directly competitive relationship of the alleged infringer to the copyright owner create a situation which is legally discrete. The unfair competitive advantage and the adverse economic impact on other direct marketers, including DMA's members, that will follow if telephone companies are allowed to receive and then maintain a monopoly over valuable public data is enormous.

Because telephone companies are now permitted to compete in the unregulated direct marketing arena, and already enjoy the competitive advantage of the substantial lead time between receiving information and publishing it, competitors depending on access to that information would be virtually eliminated if the answer to the question under review precluded access to a telephone directory as a primary source. However, regardless of the outcome with respect to that specific question, the Court should not deprive any member of the public free access to the underlying facts.

[F]acts do not owe their origin to any individual, they may not be copyrighted and are part of the public domain available to every person.

Miller v. Universal Studios, Inc., 650 F.2d at 1369. Under the somewhat unique circumstances presented, a delicate balance should be struck by the Court in order to maintain consistency and harmony among potentially conflicting portions of the U.S. Constitution and various sections of the Copyright Act, as well as to avoid adversely affecting those who do not come within the factual matrix presented.

ARGUMENT

I. A COMPILATION'S UNDERLYING FACTS ARE NOT COPYRIGHTABLE; ANYONE IS FREE TO COPY THEM WITHOUT INFRINGING ANY ORIGINAL SELECTION, COORDINATION OR ARRANGEMENT

The law of copyright, including the U.S. Constitution and the statute which implements the constitutional mandate, has consistently safeguarded the public's right to factual information compiled in a directory. The theory of that protection is found in the Copyright Clause of the Constitution itself, while the practical application of it has been developed through decisional law and the Copyright Act. Under those authorities the copyright owner of a directory cannot prevent or even inhibit another member of the public's access to factual material contained in his directory. Yet, that is precisely what would occur if the Court were to preclude others from employing telephone company white pages as a primary source of information.

A. *The Copyright Act Only Protects the Original Selection, Coordination or Arrangement of Compilations and Not the Underlying Facts Therein.*

Although there has been a split in the circuits regarding the justification for granting copyright protection to compilations of factual materials, circuits which adopt the "sweat of the brow" theory^a cannot be reconciled with general principles of copyright law.

^a The circuits which adopt that theory include the Seventh, (*Rockford Map Publishers, Inc. v. Directory Serv. Co.*, 768 F.2d 145 (7th Cir. 1985), cert. denied, 474 U.S. 1061 (1986)), Eighth (*Hutchinson Tel. Co. v. Frontier Directory Co.*, 770 F.2d 128 (8th Cir. 1985)) and Tenth (the case here under review). It should be noted, however, that the vitality of the "sweat of the brow" theory in the Seventh Circuit is questionable in view of the recent decision in *Nash v. CBS, Inc.*, 899 F.2d 1537 (7th Cir. 1990).

Those circuits which reject the "sweat of the brow" theory include the Second (*Hoehling v. Universal City Studios, Inc.*, 618 F.2d 972 (2d Cir. 1980)), Fifth (*Miller v. Universal City Studios, Inc.*, 650 F.2d 1365 (5th Cir. 1981)), Ninth (*Worth v. Selchow & Righter Co.*, 827 F.2d 569 (9th Cir. 1987)), and Eleventh (*Southern Bell Tel. & Tel. v. Associated Tel. Dir.*, 756 F.2d 801 (11th Cir. 1985)).

Section 101 of the Copyright Act defines a compilation as follows:

A "compilation" is a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship. The term "compilation" includes collective works.

17 U.S.C. § 101. A compilation requires a "process of selecting, bringing together, organizing, and rearranging previously existing materials of all kinds." H.R. Rep. No. 1476, 94th Cong., 2d Sess. 57, reprinted in 1976 U.S. Code and Cong. & Admin. News 5659, 5670.

Section 103(b) makes it clear that copyright protection in a compilation "does not imply any exclusive right in the preexisting material" contained in the work. 17 U.S.C. § 103(b). The legislative history states that Section 103(b) was intended to define more clearly that copyright in new material has no effect on the public domain status of preexisting material which it incorporates. H.R. Rep. No. 1476, 94th Cong., 2d Sess. 57, reprinted in 1976 U.S. Code Cong. & Admin. News 5659, 5670. Hence, only original selection, coordination or arrangement can be the copyrightable element in a compilation, and the underlying facts, which are in the public domain, remain outside the scope of the copyright law.

A broad base of recent decisions has been particularly restrictive in the protection of factual works indicating, for example, a refusal to subscribe to decisions of the few circuits which hold that the fruits of original research are copyrightable. As the Eleventh Circuit correctly noted:

[A] telephone directory compilation whose components are comprised exclusively of information in the public domain can be protected by the copyright laws only as to the selection and arrangement of the compilation, the work as a whole, and not to the preexisting information.

Southern Bell Tel. & Tel. v. Associated Tel. Dir., 756 F.2d 801, 810 (11th Cir. 1985). In *Miller v. Universal City Studios, Inc.*, 650 F.2d 1365, 1368-70 (5th Cir. 1981), the Fifth Circuit held that research involved in obtaining facts is not copyrightable. Similarly, the Second Circuit has observed:

We . . . cannot subscribe to the view that an author is absolutely precluded from saving time and effort by referring to and relying upon prior published material It is just such wasted effort that the proscription against the copyright of ideas and facts, and to a lesser extent the privilege of fair use, are designed to prevent.

Rosemont Enters., Inc. v. Random House, Inc., 366 F.2d 303, 310 (2d Cir. 1966), *cert. denied*, 385 U.S. 1009 (1967) (citations omitted); see *Eckes v. Card Prices Update*, 736 F.2d 859, 862 (2d Cir. 1984) ("sweat of a researcher's brow" does not merit copyright protection). The Ninth Circuit, declining to follow even its own earlier cases which protected fruits of original research, stated: "[T]o the extent that *Leon* suggests that research or labor is protectible, later cases have rejected that theory." *Worth v. Selchow & Righter Co.*, 827 F.2d at 573.

Because the facts contained in respondent's directory are not original with respondent, neither can the discovery or receipt of them be considered original. *Miller v. Universal City Studios, Inc.*, 650 F.2d at 1368-69. Absent originality, there can be no copyright protection. Accordingly, even if one in petitioner's position were to enlist those same facts, infringement should not be found where the only basis for doing so would be bottomed on unprotectible subject matter. See *Triangle Publications, Inc. v. Sports Eye, Inc.*, 415 F. Supp. 682, 686 (E.D. Pa. 1976). It is only the original selection, coordination or arrangement of those unprotectible facts that may form the basis of a finding of infringement.

B. Allowing a Monopoly Over Facts would be Inconsistent with the Well-Established Idea-Expression Dichotomy.

As a fundamental principle, copyright does not protect an author's "ideas" per se.

In no case does copyright protection for an original work of authorship extend to any idea, . . . concept, . . . or discovery, regardless of the form in which it is . . . embodied. . . .

17 U.S.C. § 102(b). If it did, there certainly would be a serious encroachment upon First Amendment values. The marketplace of ideas would be a barren one indeed if speakers and authors were limited to only those ideas which were original with them.

By analogy, if not subsumed within the same concept as "ideas", copyright does not protect facts. *Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 547 (1985); *Mazer v. Stein*, 347 U.S. 201, 217, *reh'g denied*, 347 U.S. 949 (1954).

Factual works receive distinct treatment from fictional works under copyright law. Indeed, facts, like ideas, are never protected by copyright law.

Worth v. Selchow & Righter Co., 827 F.2d at 572; see *Konor Enters., Inc. v. Eagle Publications, Inc.*, 878 F.2d 138, 140 (4th Cir. 1989) (facts contained in a telephone directory are not protected by copyright); *Cooling Sys. and Flexibles v. Stuart Radiator*, 777 F.2d 485, 491 (9th Cir. 1985) ("Copyright law never protects facts and ideas in a published work."); *Rosemont Enters., Inc. v. Random House, Inc.*, 366 F.2d at 309, *cert. denied*, 385 U.S. 1009 (1967) (recognizing that historical facts are in the public domain). What copyright does protect is "the expression of the idea" or, in the case of a compilation, any original selection, coordination or arrangement of the compiled facts. That is all.

It is an axiom of copyright law that the protection granted to a copyrightable work extends only to the particular expression of an idea and never to the idea itself. *Worth v. Selchow & Righter Co.*, 827 F.2d at 572; *Landsberg v. Scrabble Crossword Game Players, Inc.*, 736 F.2d 485, 488 (9th Cir.), *cert. denied*, 469 U.S. 1037 (1984); *Mihalek Corp. v. State of Mich.*, 814 F.2d 290, 294 (6th Cir. 1987), *modified*, 821 F.2d 327, *cert.*

denied, 484 U.S. 986 (1987); *Reyher v. Children's Television Workshop*, 533 F.2d 87, 90 (2d Cir. 1976), cert. denied, 429 U.S. 980 (1976); *Concrete Mach. Co. v. Classic Lawn Ornaments, Inc.*, 843 F.2d 600, 606 (1st Cir.), opinion after remand, aff'd, 867 F.2d 606 (1st Cir. 1988).

"Unlike a patent, a copyright gives no exclusive right to the art disclosed, protection is given only to the expression of the idea — not the idea itself." *Mazer v. Stein*, 347 U.S. 201, 217 (1954).

It is clear that the same is true of facts. *Miller v. Universal Studios, Inc.*, 650 F.2d at 1368; see *Rosemont Enters., Inc. v. Random House, Inc.*, 366 F.2d at 309. Simply put, facts cannot be original to an author. All are entitled to share in them and in their availability. For those who want to maintain some degree of dominion and control over the uncopyrightable fruits of their labor, protection via contract or trade secret is available. The law of copyright is not available for that purpose.

A subsequent author's taking of information and ideas is in no sense piratical because copyright law simply does not create any property interest in information and ideas.

Harper & Row Publishers, Inc. v. Nation Enters., 471 U.S. at 589.

As previously cited, the Copyright Act codifies the idea-expression dichotomy. 17 U.S.C. § 102(b). Thus, if the only similarity between two works is that of unprotectible facts or abstract ideas, there is an absence of substantial similarity and hence no infringement. *Atari, Inc. v. North Am. Philips Consumer Elecs. Corp.*, 672 F.2d 607, 615 (7th Cir.), cert. denied, 459 U.S. 880 (1982); 3 *Nimmer on Copyright* 13.03[A][1].

The reason for the distinction between ideas and an author's original expression of them is important. The idea-expression dichotomy attempts to reconcile two competing societal interests: rewarding an individual's creativity and effort while at the same

time permitting the nation to enjoy the benefits and progress from use of the same subject matter. *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984). It would go much beyond the scope of protection accorded copyrighted works, however, to prevent one in petitioner's position from distributing its own version of a directory which employs common facts but which does not simulate any original selection, coordination or arrangement of another's work. To the extent that respondent attempts to do so, its efforts attempt improperly to merge the distinction between ideas or facts, and their expression. There is no greater similarity between the directory of respondent and that of petitioner than is inevitable from the use of the same underlying and unprotected data.

When the "idea" and its "expression" are inseparable, copying the "expression" will not be barred, since protecting the "expression" in such circumstances would confirm a monopoly of the "idea" upon the copyright owner free of the conditions and limitations imposed by the patent laws. *Johnson Controls v. Phoenix Control Sys.*, 886 F.2d 1173, 1175 (9th Cir. 1989); *Concrete Mach. Co. v. Classic Lawn Ornaments, Inc.*, 843 F.2d at 606; *Herbert Rosenthal Jewelry Corp. v. Kalpakian*, 446 F.2d 738, 742 (9th Cir. 1971) (denying protection for copyrighted jeweled bee pins).

Accordingly, there is no bar to the copying of a work's idea. To constitute infringement there must be an unlawful misappropriation of the legally protected expression of the idea. 17 U.S.C. § 102(b); *Mazer v. Stein*, 347 U.S. 201, 217-18 (1954).

To the extent petitioner and respondent use the same underlying information (names, addresses and numbers), they may both employ the basic and well-established alphabetical arrangement.

Obviously an alphabetical list is not a protectible form of arranging proper names.

Cooling Sys. and Flexibles, Inc. v. Stuart Radiator, Inc., 777 F.2d at 492.

C. *The Copyright Clause of the Constitution Creates the Philosophical Basis for Determining Copyright Protection and Infringement.*

Article I, Section 8, Clause 8 of the U.S. Constitution provides that Congress shall have power:

to Promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.

The *quid pro quo* of the Clause is an author's enjoyment of a limited monopoly in return for disclosure and public access to the genius of creators and originators. The primary purpose, however, is to increase the public's reservoir of intellectual knowledge, not to decrease it by removal of information from public access. By encouraging original work product, and its disclosure to the public, the law of copyright promotes general public benefits by inspiring others to create, embellish and enhance that which preceded them. It is inspiration, not inhibition, and the corresponding reward to authors, which remain the primary purposes of copyright. Impeding the ability of the public to access unprotected information, however slightly, violates the constitutional mandate.

[It] is a strong policy permitting all to use freely the ideas contained in a copyrighted work so long as copyrighted expression is not appropriated.

Landsberg v. Scrabble Crossword Game Players, Inc., 736 F.2d at 488; *Rosemont Enters., Inc. v. Random House, Inc.*, 366 F.2d at 310.

Therefore, if by application of an erroneous standard of infringement a copyright owner is permitted to monopolize facts which would thereby deprive others from adding to the free flow of information and to the public's available resources in the arts and sciences, the letter as well as the spirit of the law of copyright would be violated. Absent a benefit derived by the public from

the talent of authors, there is no justification to the grant of a copyright monopoly.

Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available.

Bonito Boat, Inc. v. Thunder Craft Boats, Inc., 109 S. Ct. 971, 975 (1989) (citing *Graham v. John Deere Co.*, 383 U.S. 1, 5-6 (1966)). See footnote 5, *supra*, for the relationship of patents and copyrights.

D. *The Copyright Act Would Run Afoul of the First Amendment if it Provided for the Grant of a Monopoly Over Facts.*

Although the potential conflict between the Copyright Clause and the First Amendment seems to have been kept in check by the judiciary, a decision herein allowing the monopolization of facts or public data would re-spark that conflict, which, it is submitted, would have to be resolved in favor of the First Amendment. Indeed, such a decision would create a conflict within the Copyright Act itself in view of Section 102(b) which allows for protection via copyright of one's expression, but not of one's ideas. There is no substantive difference between the protection of ideas and the protection of facts under the law of copyright. *Worth v. Selchow & Righter Co.*, 827 F.2d at 572; see 17 U.S.C. § 102(b) (expressly excluding discoveries from the scope of copyright protection).

The need to resolve any such conflict may not exist in that, depending upon interpretation, copyright and freedom of expression may peacefully coexist. *Dallas Cowboys Cheerleaders, Inc. v. Scoreboard Posters, Inc.*, 600 F.2d 1184, 1187 (5th Cir. 1979). Nonetheless, if the Copyright Act were to be interpreted as allowing a monopoly over facts, serious, if not unanswerable, First Amendment questions would be raised.

Once a restraint is placed on the use of an idea or a fact, it does not appear that it may be justified or parse under the tests of the First Amendment. *Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 560 (1985); *Lee v. Runge*, 404 U.S. 887, 892-93 (1971) (Douglas, J., dissenting).

Whereas the foundation of copyright is bottomed on the contribution made by the original work of an author, a monopoly over facts which cannot be original regardless of the source from which they are derived, would result in diminution not contribution. It is legally deficient, therefore, to argue that the facts are available elsewhere. The mere deprivation of access to them in respondent's telephone directory, regardless of how brief or inexpensive it may be to overcome, which is not the case, is tantamount to granting some degree of power in those facts to the copyright owner, a grant that is unauthorized and inconsistent with First Amendment rights.

In the copyright — First Amendment confrontation, ideas and facts fall on the free speech side of the line, while the original selection, coordination or arrangement of facts fall on the copyright side of the line. It is clear, however, that if writers and other creators could not build upon facts, not only would free speech be stifled, but the creative processes themselves — the copyright side of the balance — would be severely circumscribed.

One of the most important objectives that underlies freedom of speech is exposure to facts and ideas, not to their particular expression, but to their mere existence. It is important that the public has free access to them. Nothing in the Copyright Act precludes such access; much by way of policy encourages it. Accordingly, copyright may be claimed only in the "expression" of the created work, and not in its "idea" or factual underpinnings. The idea-expression dichotomy, long recognized by the courts, and which is strongly based on First Amendment principles, is now an express part of the Copyright Act. 17 U.S.C. § 102(b).

E. *Infringement of a Telephone Directory Requires Nearly Identical Copying of any Original Selection, Coordination or Arrangement.*

A copyright protects against infringement only of copyrightable subject matter. It does not protect against access to a copyrighted work which is then used as a point of reference, from which a subsequent and non-infringing work may be generated. *Southern Bell Tel. & Tel. v. Associated Tel. Dir.*, 756 F.2d 801, 810 (11th Cir. 1985); *Miller v. Universal City Studios, Inc.*, 650 F.2d at 1370. Copying facts alone does not constitute infringement.

[M]ere use of the information contained in a directory without a substantial copying of the format does not constitute infringement.

Id. (citations omitted).

Because a compilation in the form of a telephone directory contains purely factual information, anyone is free to use that information. Therefore, any definition of infringement requiring less than virtually identical copying of any original selection, coordination or arrangement of the copyright owner,⁷ or which fails to recognize the unfettered right to copy and use the underlying facts, would result in a monopoly to some extent over those facts. *Landsberg v. Scrabble Crossword Game Players, Inc.*, 736 F.2d at 488.

Subsequent authors wishing to express the ideas contained in a factual work often can choose from only a narrow range of expression . . . Therefore, similarity of expression may have to amount to verbatim reproduction or very close paraphrasing before a factual work will be deemed infringed.

⁷ DMA does not concede any originality in the compilation of the white pages of a telephone directory, but merely points out the distinction between matter that *potentially* is copyrightable, and that which is not.

Id.; *Worth v. Selchow & Righter Co.*, 827 F.2d at 573 (use of factual content in plaintiff's book does not constitute infringement); *Cooling Sys. and Flexibles v. Stuart Radiator*, 777 F.2d 485, 491 (9th Cir. 1985) (verbatim reproduction or very close paraphrasing may be necessary before a factual work will be deemed infringed). Inasmuch as it is uniformly interpreted statutory law that a compilation neither limits nor expands the scope of protection over the underlying matter which is compiled (*see* 17 U.S.C. § 103(b)), to prevent a second comer from using underlying facts, which use does not reproduce any originality of the copyright owner in their selection, coordination or arrangement, would create a legal impediment to access to those facts and a proprietary interest in the copyright owner which he does not deserve. *Financial Information, Inc. v. Moody's Investors Serv., Inc.*, 808 F.2d 204, 207 (2d Cir. 1986), *cert. denied*, 484 U.S. 820 (1987).

Only a near literal lifting of any original selection, coordination or arrangement of a copyrighted telephone directory, but not of the underlying facts contained in it, may be protected if the Copyright Clause, the First Amendment, sections of the Copyright Act and decisional law are to remain consistent, not only with each other, but also in maintaining their effect as a reward to authors, an incentive to others, and a guardian of the public.

II. THE DECISION IN THIS CASE SHOULD BE LIMITED TO ITS FACTS

As this Court frequently has admonished those who interpret and rely on its decisions, one must of necessity analyze and appreciate the factual context out of which a case arises before one may attempt to apply the legal conclusions and precepts to other situations.

It is timely again to remind counsel that words of our opinions are to be read in the light of the facts of the case under discussion. To keep opinions within reasonable bounds precludes writing into them every limitation or variation which might be suggested by the circumstances of cases not before the Court. General expressions transposed to other facts are often misleading.

Armour & Co. v. Wantock, 323 U.S. 126, 132-33 (1944).

It bears repetition that the copyright owner in the case under review is a telephone company with corresponding monopoly status as a matter of law. Thus, the data which are listed in the subject telephone directory are available to the copyright owner only as a result of its public utility status and the need for members of the consuming public to participate in the national telecommunications system which has become such an integral part of everyone's life. The Court should not enlarge that monopoly status into other areas (*e.g.*, marketing) through an expansive view of the Copyright Act, and should treat a telephone company, by analogy, only slightly more favorably than a federal governmental body, 17 U.S.C. § 105 (copyright protection not available to U.S. Government), by reading the Copyright Act literally and narrowly, 17 U.S.C. § 103(b) (copyright in a compilation is independent of preexisting material). The need to restrict the government-sanctioned monopoly of one in respondent's position is heightened by the recent divestiture of AT&T which allows telephone companies to enter the already highly competitive direct marketing arena.

It must be emphasized that the work in issue is merely a compilation of the data which are provided to the public utility automatically by its subscribers except for those who choose to pay to have the data withheld from publication. Virtually every household has a telephone in its own name. Thus, unlike traditional customer lists and corresponding information, which are developed by merchants through solicitation and fulfillment of their goods and services, a telephone company's list of subscribers is mechanical and virtually automatic.

There is no "significant subjective judgment" in selecting names for a telephone directory; it entails only a determination of telephone subscribership. *New York Times Co. v. Roxbury Data Interface, Inc.*, 434 F. Supp. 217, 222 n.2 (D.N.J. 1977) ("the compilation of a telephone directory requires the compiler only to ascertain the fact of telephone subscribership; the compiler is not required to make any significant subjective judgment"). Subscribers merely become part of the system.

It also should not escape the Court's analysis that the alleged copyright infringer is a direct competitor of the copyright owner. Therefore, the situation is unlike one who might use a telephone directory as a source of data or information for a purpose other than to publish his own directory, such as a direct marketer who wants to communicate his message, with the corresponding analysis for infringement requiring consideration not only of substantial similarity, which is not likely to occur due to different usage, but also of any injury to the copyright owner's market, which is not likely to be present, due to the non-competitive nature of the use.

The copyright laws serve as the "engine of free expression" . . . only when the statutory monopoly does not choke off multifarious indirect uses and consequent broad dissemination of information and ideas. To ensure the progress of arts and sciences and the integrity of First Amendment values, ideas and information must not be freighted with claims of proprietary right.

Harper & Row Publishers, Inc. v. Nation Enters., 471 U.S. at 589-90 (Brennan, J., dissenting).

It is estimated that there are literally tens of thousands of firms, including the telephone companies themselves, employing tens of thousands of people, if not more, that depend on the development of data and information for marketing purposes as the very lifeblood of their business. The parties to list transactions and to information exchanges bear little or no resemblance to the competing telephone directory purveyors who now appear before the Court. Yet, a decision that is not narrowly tailored to the specific underlying facts would have far-reaching implications to direct marketers.

Companies engaged in virtually every industry employ direct marketing as an integral part of their business. The nation's leading magazines and industrial giants, including banks, package goods companies, automobile companies and financial services, as examples, as well as the most popular catalogs, religious and charitable organizations, book and record clubs, and political parties are all direct marketers. Many of them are members of DMA. Each of them, in addition to developing internal information on their own customers, depends heavily on additional information from outside sources which enable them to determine which potential customers are more likely to be responsive to their particular solicitations.

Critically impacted would be the segment of the direct marketing industry which includes research organizations, private compilers of data and database marketers who make their information available to direct marketing merchants. Unlike the merchants themselves, those firms specialize and earn their livings from the creation, compilation, transfer and use of information and marketing data.

The factual data available to a telephone company are not available to others, and certainly not in a timely or economic fashion. Whereas a telephone company receives data on a nearly real-time basis, others, if deprived of initial access to a telephone directory, would have to seek the same data indirectly, and from a multitude of sources, if they exist, before it could synthesize the

results of its fragmented efforts. Even then, the need for timely information would not be satisfied inasmuch as "sources" other than a telephone directory (there really are no others) would produce data that are stale when contrasted to a telephone directory. Additionally, the telephone company benefits by others' use of the listed information inasmuch as it functions as the telephone service provider, to the extent the caller is local.

The U.S. Postal Service, try as it may, has not achieved the timeliness and accuracy of the telephone companies' white pages. It too would benefit by seeing to it that the underlying data in the white pages of telephone directories remain available.⁸

Thus, the nature of the data compiled in a telephone directory, the legal status of a public utility copyright owner and the competitive versus non-competitive uses to which the data may be put militate in favor of addressing the question under review in a very specific and restrictive fashion and seeing to it that direct marketers are not unnecessarily adversely affected.

⁸ Public policy warrants addressing the question under review as unique. The U.S. Postal Service has a compelling need for accurate addresses — it must deliver the mail. Indeed, a recent program undertaken by the Postal Service at great expense, known as National Change of Address ("NCOA"), provides the direct mail marketing industry with a means for improving the accuracy of addresses, and therefore the deliverability of the U.S. mails. NCOA requires, however, that the mailer provide the Postal Service with its own list, and will not provide the mailer with names and addresses in the first instance. Telephone numbers are not available at all. It must be noted, however, that NCOA names and addresses do not reflect changes in nearly as timely a fashion as changes submitted to telephone companies by their subscribers.

CONCLUSION

For the foregoing reasons, the question presented for review should be answered so that copyright protection in a telephone directory by the telephone company extends only to any original selection, coordination, or arrangement of the listed names, addresses and numbers, and does not prevent access to that directory as a source. The question also should be answered in a manner that limits the Court's decision to the specific facts before it.

Respectfully submitted,

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②
No. 89-1909

Supreme Court, U.S.

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IN THE
Supreme Court of the United States
OCTOBER TERM, 1990

FEIST PUBLICATIONS, INC.,

Petitioner,

v.

RURAL TELEPHONE SERVICE COMPANY, INC.,

Respondent.

On Writ of Certiorari to the
United States Court of Appeals
For the Tenth Circuit

BRIEF OF THE THIRD-CLASS MAIL ASSOCIATION
AS *AMICUS CURIAE* IN SUPPORT OF PETITIONER
FEIST PUBLICATIONS, INC.

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QUESTION PRESENTED

Does the copyright in a telephone directory by the telephone company prevent access to that directory as a source of names and numbers to compile a competing directory, or does copyright protection extend only to the selection, coordination or arrangement of those names and numbers?

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PRELIMINARY STATEMENT

The Third Class Mail Association ("TCMA") submits this brief as *amicus curiae*, pursuant to Rule 37.3 of the Rules of this Court, in support of Petitioner, Feist Publications, Inc. ("Feist").¹

¹ The written consents of Petitioner Feist and Respondent Rural Telephone Service Company, Inc. ("Rural Telephone") to TCMA's filing of a brief as *amicus curiae* are being filed with the Clerk of the Court contemporaneously herewith.

INTEREST OF TCMA AS *AMICUS CURIAE*

Although the Court has accepted for review the limited question of whether the copyright in a telephone directory by a telephone company prevents access to that directory as a source of names and numbers to compile a competing directory, the potential implications of the case are significantly broader in scope. The issue of access to information may have profound effects upon other industries, including the direct mail marketing industry. A broad finding that a telephone company's copyright in a telephone directory prevents use of that directory as a commercial source of names, addresses and telephone numbers would effectively deprive direct mail marketers of access to information which they need to operate their businesses or fund their charitable causes.

TCMA is a national association of organizations, both charitable and for-profit, with an interest in direct mail marketing. TCMA's members make use of the United States Postal Service's bulk third-class mail rate categories for a wide variety of direct marketing, educational, financial and fund-raising activities. Direct mail marketing makes available information about products, services and eleemosynary activities, enabling large and diverse segments of the American public to acquire those products and services and support charitable undertakings in a readily accessible and inexpensive manner.² Some of TCMA's members

² There are, at present, approximately 30,000 direct mail and telephone marketing companies in the United States, most of which are small businesses operated by independent entrepreneurs. The direct mail marketing industry produces approxi-

also compile, publish and rent mailing lists for use in marketing and fund-raising activities.

Direct mail marketing is conducted through the use of lists, often compiled in large part or significantly derived from telephone directories. Indeed, local telephone companies are often the exclusive source in a given area of name and address information for list development. Direct mail marketers have relied upon telephone directories for name, address and telephone number data to compile lists of businesses and potential customers or contributors for more than 50 years. The information which marketers and support companies obtain from telephone directories is entered into computers to be coded and sorted, and additional information is added for use by mailers.³ This process permits the development of selective mailing lists of persons who are more likely to be interested in purchasing a particular product or service, or contributing to a particular charitable organization.

Information contained in telephone directories is also used to update aging lists with current data. Local telephone companies enjoy superior access to the most current information concerning their subscribers, because it is the telephone companies that assign telephone numbers to particular individuals at

mately fifty billion pieces of mail annually, with a value in excess of twenty billion dollars.

³ For consumer files, coding and sorting may include the addition of such information as zip codes, census data, automobile information, and responses to questionnaires concerning purchasing habits. For business files, coding and sorting includes the addition of information such as number of employees, executive names, titles and function, and type of business.

particular addresses. Subscriber information in the possession of local telephone companies typically is current to the week, if not to the day, service is installed. Using the data in telephone directories is, therefore, the most efficient and accurate—and sometimes the only—way for small direct marketing companies to obtain current information about telephone subscribers.

Accordingly, a holding that the underlying data in telephone directories is subject to copyright, and that use of such directories to obtain such underlying data is a violation of federal copyright law, would have far-reaching effects upon the direct mail marketing industry. As a representative of that industry, TCMA is concerned that these potential consequences be recognized in the Court's deliberation on the issues presented by this case.

SUMMARY OF ARGUMENT

The lower courts erred in holding that federal copyright law protects the preexisting facts underlying compilations such as telephone directories. The 1976 Copyright Act limits the copyright protection afforded compilations to the selection, coordination and arrangement of information. It does not permit a party to obtain control over a set of preexisting facts by collecting and arranging them into a compilation, and then claim copyright protection not only for the compilation as a whole, but also for the underlying data.

A holding that telephone companies can obtain copyright protection for the names, addresses and telephone numbers of subscribers listed in their telephone directories would have ramifications far beyond the

facts of this case. Direct mail marketing companies rely upon telephone directories as a primary source of name and address data. A decision that the use of telephone directories to obtain such data violates federal copyright law would deprive direct marketers of what is, in many instances, their only source of data essential to the continued operation of their businesses.

TCMA therefore requests that the Court overturn the decisions of the courts below, or carefully limit its decision to its specific factual context.

ARGUMENT

TCMA does not dispute that compilations, including some telephone directories, are entitled to copyright protection. *E.g.*, *Southern Bell Telephone and Telegraph Co. v. Associated Telephone Directory Publishers*, 756 F.2d 801, 809 (11th Cir. 1985). However, TCMA believes that the lower courts' implicit holding that a compilation copyright protects the irreducible factual data contained in the compilation constituted a serious error of law.

The courts below applied what has been described as the "sweat of the brow" doctrine, to extend broad copyright protection to all or any part of a compilation that is the product of "industrious collection," including any underlying, preexisting facts. *See Rural Telephone Service Company, Inc. v. Feist Publications, Inc.*, 663 F. Supp. 214, 218 (D. Kan. 1987). *aff'd*, No. 88-1679 (10th Cir. March 8, 1990). This doctrine,

which has been applied by a minority of the circuits,⁴ conflicts with Section 103(b) of the 1976 Copyright Act, which provides in pertinent part that "[t]he copyright in a compilation or derivative work extends *only* to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material." 17 U.S.C. § 103(b) (emphasis added). *See also*, 17 U.S.C. § 102(b) (facts not copyrightable).⁵ The Act thus draws a very sharp distinction between the protectible originality and creativity which go into the form of expression of the compilation on the one hand, and the unprotectible "pre-existing material" used in that expression on the other. *See Southern Bell, supra*.

The distinction is crucial to this case. The "pre-existing material" in a telephone directory is irreducible—the facts of names, addresses and telephone numbers can only be expressed in one form. Because telephone companies are almost always the first pub-

⁴ *See, e.g., Rockford Map Publishers, Inc. v. Directory Service Company of Colorado, Inc.*, 768 F.2d 145 (7th Cir. 1985); *Hutchinson Telephone Co. v. Fronteer Directory Company of Minnesota, Inc.*, 770 F.2d 128 (8th Cir. 1985).

⁵ The 1976 Copyright Act defines "compilation" as:

[A] work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship. The term 'compilation' includes collective works.

17 U.S.C. § 101.

lishers of directory information,⁶ a holding that the "sweat of the brow" doctrine provides copyright protection not only to a directory as a compilation, but also to the names, addresses and telephone numbers of subscribers, would give the telephone companies an initial monopoly over that important information. Proponents of the "sweat of the brow" doctrine do not—and cannot—contend that a second publisher is precluded from independently collecting names, addresses and telephone numbers and from publishing that information exactly as it appears in the telephone company's directory. Thus, extension of copyright protection to information which exists in an irreducible form (such as names, addresses and telephone numbers) serves only to protect a source of information and the research which produced it, rather than the originality or creativity of the expression itself.

Such a result, at the least, stretches the "sweat of the brow" doctrine beyond cases in which the information alleged to have been copied exists in a form different than the form of the first author's compilation, *see, e.g., Rockford Map, supra*, or is capable of complete expression in a different form. *Southern Bell, supra*. The lower courts' analysis thus collides with the language and purpose of the Act. *See, e.g., Rosemont Enterprises, Inc. v. Random House, Inc.*, 366 F.2d 303 (2d Cir. 1966), *cert. denied*, 385 U.S.

⁶ Indeed, the facts of name, address and telephone number—the last element of which is unknown until assigned by a telephone company—are not generally available except through publication by the telephone company which has collected them as an adjunct to the initiation or change of telecommunications service.

1009 (1967). It would also have ramifications far beyond the facts of this case; it would seriously hamper the ability of direct mail marketers and the companies which supply them with mailing lists to conduct their businesses or fund their causes.

The courts below also held that the only "fair use" Feist could make of Rural Telephone's directory would be to verify the results of its own independent canvass. *Rural Telephone, supra*, 663 F. Supp. at 219 (citations omitted). If it is decided—as we believe it should be—that the pre-existing material in the telephone directory is not protected by copyright, there is no need to determine the correctness of the lower courts' application of the "fair use" doctrine. In any event, the lower courts' application of the doctrine is wrong because it simply ignores the statutory criteria governing "fair use". 17 U.S.C. § 107.

Even if Section 107 were held to permit only verification of information obtained by independent canvass, that holding should be restricted to situations involving uses which are directly competitive—as in the case of competing telephone directories. Otherwise, the lower courts' holding as to "fair use" could deprive direct mail marketers of what is, in many instances, their only practical source of essential information—information used in ways which have no cognizable effect upon the "potential market" for telephone directories. *See* 17 U.S.C. § 107(4).

The question presented before the Court involves the narrow circumstances in which a publisher uses a telephone company's directory as a source of information to compile a competing directory. As TCMA has shown, a broadly-written decision from the Court affirming the lower courts' decisions would have a

substantial negative impact upon other companies not engaged in the business of producing competing telephone directories. Accordingly, even if the Court does not accept our contention that the underlying information—names, addresses, and telephone numbers—is not subject to copyright protection, TCMA requests that the Court limit its decision to the circumstances described in the question presented to the Court.

CONCLUSION

For the foregoing reasons, TCMA requests that the decisions of the lower courts be reversed.

Respectfully submitted

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AS *AMICI CURIAE*
IN SUPPORT OF NEITHER PARTY

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AS *AMICI CURIAE*
IN SUPPORT OF NEITHER PARTY**

The Information Industry Association ("IIA") and ADAPSO, The Computer and Software Services Industry Association, Inc. ("ADAPSO"), hereby respectfully submit the attached brief as *amici curiae* in support of neither party in this case. The consent of the attorneys for the Petitioner, Feist Publications, Inc. ("Feist") and Respondent, Rural Telephone Service Company, Inc. ("RTSC") has been requested and received.¹

¹ The written consent of the Petitioner and Respondent are being filed with the Clerk of the Court contemporaneously with this brief, pursuant to Rule 36 of the Rules of this Court.

INTEREST OF THE AMICI

IIA is a trade association, founded in 1968, that represents some 800 companies involved in the generation, distribution, transmission and use of information. This case involves a dispute between two publishers of "white pages" telephone directories: a provider of local telephone exchange service and a competitor independent of the telephone business. Most major "white pages" publishers, in both categories, belong to IIA.

IIA membership also includes most of the largest providers of communications common carrier services, as well as most leading providers of electronic databases and similar information products and services. The latter group includes providers of financial information services, bibliographic databases, demographic and geographical information systems, credit reporting systems, and a wide range of products based on government and other public domain materials, including legal, statistical, scientific and other databases. These publishers and information providers have a direct interest not only in copyright protection of the databases and other compilations of which they are the proprietors, but also in meaningful access to unprotected materials for the development of new information products and services. Thus, a broad cross-section of IIA members is vitally interested both in the specific dispute before the Court, and in its general implications for the scope of copyright in compilations.

IIA members also have extensive practical experience in the development and distribution of compilations, and are in the forefront of developing and implementing new ways to organize, present, disseminate and use information, particularly through electronic media. This experience may provide useful insights for the Court's disposition of this case.

Finally, IIA's entire membership is vitally interested in the development and adaptation of copyright law to provide strong incentives for the development of works of new technology. This case could have a significant impact upon the evolution of copyright protection for a wide range of such works, including computer programs. From its earliest days, IIA has participated actively in major debates on the future of copyright policy, in legislative and other arenas. In the same spirit, it respectfully offers its perspectives on the instant case.

ADAPSO was founded in 1961 and is the premier trade association for information technology companies. Its more than 600 corporate members provide the products and services which facilitate the useful application of information technology. ADAPSO member companies create and market products, services, or both, associated with computers, communications and data, where the primary values added are human resources, software and information content.

More specifically, ADAPSO's membership includes major providers of telecommunications networks which 1) distribute data processing, database or other information services; or 2) provide packet code, protocol and format conversion; electronic mail; electronic data interchange; information gateways; voice messaging; or other network-based computer services. As such, ADAPSO members are both providers and users of electronically stored and transmitted information, interested both in copyright protection for the databases and other compilations of which they are the owners and reasonable access to information from which to create new products and services. ADAPSO and its member companies have a practical interest in this case.

ADAPSO and its member companies are also interested in the adaptation of the copyright system to new technologies, a major issue raised by this case. ADAPSO

has approached this Court on several prior occasions regarding the intellectual property law system and the appropriate application to new information technologies and respectfully offers its assistance and insight in this case.

SUMMARY OF THE ARGUMENT

Although the case before the Court concerns the scope of copyright in "white pages" telephone directories, its disposition could affect legal protections accorded to a wide range of commercially valuable compilations. These works, which have become increasingly important to many fields of business, research, and professional endeavor, are, like "white pages," made up of materials that are not individually protectible by copyright. However, the authorship exhibited in "white pages" is in several important respects distinct from that found in other compilations of individually unprotected material. These distinctions argue for a narrow disposition of this case.

To the extent that the Court uses this case to delineate broadly applicable rules on the scope of copyright in compilations, it should carefully consider both the nature of authorship in compilations and the approaches taken by lower courts in defining and identifying it. The Court should seek to harmonize these precedents by focusing on the Copyright Act standard of originality. Its resolution of the case should reflect the importance of adequate copyright protection in providing incentives for the diverse aspects of authorship that play a role in the development of modern electronic databases and other compilations. It should also consider the practical consequences of inadequate protection for the information industry and the public as a whole. In this way, the Court can use this opportunity to affirm and strengthen the legal foundation of copyright in compilations.

ARGUMENT

I. THE COURT SHOULD EXERCISE CAUTION IN EXTENDING THE SCOPE OF ITS DECISION IN THIS CASE TO COMPILATIONS BEYOND "WHITE PAGES" TELEPHONE DIRECTORIES

A. A Wide Range Of Commercially Vital Compilations Receive Copyright Protection Under The Same Statutory Provisions As "White Pages"

The issue before the Court concerns the scope of copyright protection in a telephone directory. Petitioner Feist seeks reversal of the ruling that it infringed the copyright of respondent RTSC in its "white pages"—the alphabetical listing of the names, addresses and telephone numbers of RTSC's telephone subscribers. "White pages" directories are ubiquitous, and the Court's disposition of this case will have an important impact on the information industry even if it is expressly limited to "white pages."²

However, the impact of this case will not necessarily be so limited. In the taxonomy established by the Copyright Act of 1976, 17 U.S.C. sec. 101 (1988) ("the Act"), "white pages" belong to one species of a much broader and more varied genus of work protected by copyright: compilations. The Act defines a compilation as:

a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the re-

² As this case illustrates, "white pages" directories may be issued either by monopoly providers of local telephone service (such as RTSC) or by competitive publishers (such as Feist). Of the 125,020,023 access lines served by local exchange carriers in the United States, IIA's members include five of the seven largest providers, serving 43 of the 50 states, as well as the leading competitive telephone directory publishers. See generally Federal Communications Commission, Preliminary Statistics of Communications Common Carriers (1990).

sulting work as a whole constitutes an original work of authorship.

17 U.S.C. sec. 101. Since copyright protection extends to "original works of authorship," 17 U.S.C. sec. 102(a), this definition entitles compilations to generic protection, subject to the specific limitations contained in 17 U.S.C. sec. 103.³

"White pages" directories, such as those involved in this case, belong to the category of compilations in which the "materials or . . . data" included in the copyrightable compilation are not themselves subject to copyright protection.⁴ In this case, the data that have been compiled consist of names, addresses and telephone numbers of RTSC subscribers.

It has been nearly a century since this Court last examined a claim of infringement of copyright in a similar compilation. That case involved "a book of reference containing lists of merchants, manufacturers and traders . . ." *Dun v. Lumbermen's Credit Ass'n.*, 209 U.S. 20, 21 (1908). Then, the variety and pervasiveness of compilations of otherwise unprotected data was rather limited. Today's environment is completely different.

Compilations consisting predominantly of material not protected by copyright are now familiar throughout the United States and the world. These compilations are diverse in subject matter, format and medium. They have become indispensable to the functioning of commerce and finance and the pursuit of scientific research and educa-

³ These limitations are discussed in section II, *infra*.

⁴ The other main species of compilation, a "collective work," includes assemblages of "separate and independent works" that are themselves copyrightable. 17 U.S.C. sec. 101. While RTSC's directory as published may include independently copyrightable material—what Feist refers to as "authored forward text and yellow page advertising," Pet. at 9—those works were not copied by Feist and their status is not involved in this case.

tional endeavors. The development, production and distribution of such compilation is a growing and dynamic sector of U.S. industry. This sector demands high levels of investment and continuing commitment to innovation in order to meet global competition. Copyright protection for compilations, based on the statutory provisions involved in this case, is a key legal incentive for encouraging this investment and innovation for the benefit of the public. See U.S. Const. art. I, sec. 8, cl. 8 (Congress empowered to enact legislation to "promote the Progress of Science and Useful Arts"); *Mazer v. Stein*, 347 U.S. 201, 219 (1954) ("[t]he economic philosophy behind the [copyright clause] is the conviction that encouragement of individual effort by personal gain is the best way to advance public welfare").

Accordingly, in resolving this dispute between competing publishers of directories containing the names of 5,000 telephone subscribers in parts of 11 counties in northwest Kansas, Pet. at 4, the Court also should bear in mind the range of compilations that could be affected by a broadly phrased holding. These compilations fall into two main categories.⁵

First, there are compilations, like the one at issue here, made up of "facts," or, perhaps more precisely, of factual statements that do not individually show enough originality to rise to the level of protectible expression. However, as this Court has observed, "[c]reation of a nonfiction

⁵ Most of the examples in the following list, which is far from exhaustive, refer to "databases." This term does not appear in the Copyright Act, but is commonly (if imprecisely) used to refer to compilations of data in electronic format, delivered to computer terminals or other facilities, either through telecommunications links or in physical media such as magnetic tape or compact disk. Many of the databases described in the text are also available in print form. Since protection under the Act is unaffected by the "medium of expression" employed, 17 U.S.C. sec. 102(a), the scope of protection for a compilation is the same whether the work appears in hard copy or in an electronic format.

work, even a compilation of pure fact, entails originality," and hence protectible expression. *Harper & Row Publishers, Inc. v. Nation Enterprises*, 471 U.S. 539, 547 (1985). The facts in the "white pages" consist of names, addresses and telephone numbers. Other compilations of facts include:

Financial Information Databases. The stock quotation "IBM 108 3/8 + 1 1/8" may not be protectible by copyright. But the collection and assembly of this and many other similar statements, and their arrangement in any of a wide variety of ways, can satisfy the criteria for protection as a compilation. Examples range from the familiar stock tables or earnings reports in the financial pages of the daily newspaper, to customized data subsets based on industry sector, geography, enterprise size or other factors. Financial databases, whether historical "snapshots" of corporate financial performance or systems that reflect current trading, are today indispensable tools for investors, regulators and participants in all financial markets.

Credit Reporting Systems. Each business day, hundreds of thousands of business decisions are made on whether to grant credit to an individual or company seeking it. The factual basis for these determinations is drawn from copyrightable compilations of credit data. The data themselves—factual statements concerning credit history—often are not individually eligible for copyright protection.

Demographic Databases. In these compilations, uncopyrightable data items on defined categories of people are collected and arranged in a variety of ways. The data consist of factual statements about subjects ranging from buying habits to neighborhood traffic patterns, from property tax records to stated political affiliations. The resulting databases play a dominant role in marketing, fundraising and planning decisions of incalculable significance.

Bibliographic Databases. Researchers and students worldwide rely upon compilations ranging from tradi-

tional card catalogs to computerized systems of references to medical, scientific or legal literature (for example, SHEPARD's citations). While some of these databases include expository summaries or abstracts of the contents of the works indexed, even those limited to catalog number, author, title, publisher and similar factual information are protectible as compilations.

Economic and Industrial Databases. These compilations assemble and present statistical data on housing and construction, trade, manufacturing, agriculture, natural resources, health, transportation, and other quantifiable aspects of economic and social activity. These databases underpin momentous decisions made every day at all levels of business and government.

A second category consists of compilations of items that would individually qualify as works of authorship but for exclusions established by statute or judicial decision. Such works include reports and other documents created by federal government personnel, as well as federal and state judicial opinions, statutes and regulatory materials.

This Court long ago concluded that its opinions, and those of state court judges, were in the public domain. *Wheaton v. Peters*, 33 U.S. 591, 668 (1834); *Banks v. Manchester*, 128 U.S. 244, 253 (1888). Section 105 of the Act denies copyright protection to "any work of the United States Government," 17 U.S.C. sec. 105, thus excluding agency materials and other works created by federal employees. Federal courts have consistently barred, on due process grounds, state assertions of copyright in statutes or regulations. *Davidson v. Wheelock*, 27 F. 61, 62 (C.C.D. Minn. 1866); *Howell v. Miller*, 91 F. 129, 137 (C.C.A. Mich. 1898); *Building Officials & Code Administrators v. Code Technology, Inc.*, 628 F.2d 730, 734-35 (1st Cir. 1980). This Court further has made it clear that copyright may be recognized in private compilations of such individually unprotected public domain materials. *Callaghan v. Myers*, 128

U.S. 617, 649 (1888); see also *West Publishing Co. v. Mead Data Central, Inc.*, 799 F.2d 1219, 1224-25 (8th Cir. 1986), *cert. denied*, 479 U.S. 1070 (1987). Familiar examples of such compilations include the legal databases of WESTLAW, LEXIS and VERALEX, as well as compilations of reports of federal researchers and of federal statistical data on prices, wages and similar topics.⁶

In short, "white pages" directories represent a familiar but minute slice of a much wider category of compilations protected by copyright, even though the items collected in the compilation do not individually enjoy such protection. Furthermore, when compared with other members of this category, "white pages" are in several ways strikingly atypical, if not unique.

B. The Distinctive Characteristics Of "White Pages" Make This An Inappropriate Case For The Delineation Of Sweeping Rules On Compilation Copyright

Virtually all "white pages" compilations published by monopoly providers of local exchange telephone service, including the RTSC directory involved in this case, share several important attributes. These characteristics may influence the scope of copyright protection these directories enjoy.

First, virtually all "white pages" have the same type of contents, organized in a nearly identical manner: a listing of telephone subscribers, alphabetized by surname, followed by street address and telephone number. This rigid format probably dates from the earliest days of direct-dial telephony. It is universally observed in directories published by local exchange telephone companies.

⁶ Other categories of compilations whose contents are not themselves protected by copyright exist, but are less significant. For example, copyright would protect a compilation of published works that are individually unprotectible due to their national origin, see 17 U.S.C. sec. 104, or because they have fallen into the public domain through expiration of the term of copyright.

Second, the telephone company obtains the information contained in the compilation in the course of fulfilling its obligation to provide telephone service under a monopoly franchise awarded by government. It would be impossible to fulfill this obligation without creating and maintaining a database of the names and addresses of telephone subscribers and the telephone numbers assigned to them by the company. This is precisely the information contained in a "white pages" directory.

Third, in many instances, the local telephone company is required to publish the "white pages" directory, either by statute or as a regulatory condition of its right to exercise the monopoly franchise. See, e.g., *Illinois Bell Tel. Co. v. Haines and Co., Inc.*, 905 F.2d 1081, 1084 (7th Cir. 1990); *rehearing denied*, No. 89-2207, slip op. (7th Cir. August 6, 1990); *stay granted pending decision on petition for writ of certiorari*, No. A0187, slip op. (U.S. Sup. Ct. September 11, 1990); *Hutchinson Tel. Co. v. Fronteer Directory Co.*, 770 F.2d 128, 129 (8th Cir. 1985). Customarily, the franchise terms entitle every telephone subscriber to be listed in the "white pages" without additional charge, and authorize the telephone company to charge for the privilege of being omitted as a "non-published number."

Some lower courts have held that these characteristics are irrelevant to the *existence* of copyright protection for "white pages" as compilations. See, e.g., *Hutchinson*, 770 F.2d at 131 (rejecting District Court holding that the Act "excludes copyright protection" for directories required by law to be published). However, the characteristics clearly bear some relevance to the statutory definition of compilation set forth in 17 U.S.C. sec. 101, and may appropriately influence a decision on the scope of protection to be accorded. For example, to the extent that "arrangement" of data is one element of the authorship protected by copyright in a compilation, the fact that all "white pages" contain the same types of information

presented in a virtually identical way is relevant to whether protectible expression has been taken by an alleged infringer who uses the same basic format to present the same information. Similarly, the fact that the information in "white pages" is obtained as an incident of providing monopoly telephone service is relevant to the nature of "collection" of data that may be an element of protectible authorship under the compilation definition.

While each of the characteristics listed above may be found to some degree in other copyrightable compilations, few other commercially significant compilations besides "white pages" would exhibit all of them. For instance, compilations on similar subject matter may vary widely in format and level of detail. A financial information database may include "bid and ask" prices on a given security, or it may be limited to information on the latest sale. Similarly, many commercially significant databases are valuable precisely because they bring together data from a wide range of disparate sources, rather than confining themselves to information gathered in the course of fulfilling a single business purpose.

The Court should consider these unusual characteristics of "white pages" compilations in resolving the dispute presented in this case: the scope of copyright protection in a compilation.⁷ A solution of that dispute that is appropriate for "white pages" may well be completely inappropriate for other compilations of unprotected material.⁸

⁷ Copyrightability *per se* of "white pages" directories is not in dispute. Pet. at 9.

⁸ Because the "white pages" copyright proprietor is usually a state-authorized monopolist, disputes over the use of such compilations may turn as much on antitrust principles as on copyright. This case is no exception, although the antitrust issues are not before this Court. See *Rural Tel. Serv. Co. v. Feist Publishing, Inc.*, 773 F. Supp. 610 (D. Kan. 1990). The issue of competitor access to telephone company customer information has been vigor-

The parties dispute whether Feist has copied protectible compilation authorship or solely unprotectible "preexisting material." 17 U.S.C. sec. 103(b).⁹ The authorship that goes into production of the "white pages"—in statutory terms, the way in which the work is "collect[ed] and assembl[ed]" and the data "selected, coordinated or arranged," 17 U.S.C. sec. 101—is atypical when compared to the authorship found in other compilations of individually unprotected materials. The clearest way to draw the line between authorship and preexisting data in this case is to confine the decision to the unusual contours of authorship in the "white pages" environment. Such a resolution will provide the most useful guidance to the parties, and to the lower courts. It would minimize the confusion that would otherwise arise from efforts to apply the decision to cases involving substantially different examples of compilation authorship. Finally, it would conserve judicial resources and avoid an activist decision on issues not presented to the Court in this case.

ously debated before the Federal Communications Commission in its Open Network Architecture proceedings. Filing and Review of Open Network Architecture Plans, 4 FCC Rcd 1 (1988), *recon.*, 5 FCC Rcd 3084 (April 1990). Neither the ubiquity of antitrust claims nor the involvement of specialized regulatory agencies make "white pages" disputes unique among controversies over compilation copyright. However, both factors counsel caution in employing such disputes as vehicles for laying down broad copyright rules to govern other controversies in which neither factor may be present.

⁹ Section 103(b) provides, in relevant part, that "the copyright in a compilation . . . extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material." 17 U.S.C. sec. 103(b). Of course, whenever authorship is copied, so is "preexisting material." In this sense, a compilation is no different than any other work of authorship. The plagiarist of a novel takes unprotectible letters, words and phrases; the copier of a symphony takes unprotectible notes and chords. Each takes more as well.

II. IF THE COURT'S DECISION IS BROADLY APPLICABLE TO OTHER COMPILATIONS, IT SHOULD CLEARLY AFFIRM THE LEGAL FOUNDATION OF COPYRIGHT IN COMPILATIONS, INCLUDING DATABASES

The foregoing considerations argue strongly for a narrow disposition of this case. However, the Court could choose to use this case to announce broader standards for determining the scope of copyright in compilations of factual material or other unprotected matter. Such a resolution could have a significant impact on the information industry as a whole. Its impact is most likely to be positive if it harmonizes the approaches taken by different lower courts, and takes into account the business realities of creating, distributing and using compilations of materials not themselves individually protected by copyright. In this way, the Court can affirm the importance of clear, consistent copyright protection for these compilations.

A. The Court Should Seek To Harmonize The Two Main Approaches To Compilation Copyright

Section 101 of the Act defines a compilation as "an original work of authorship," 17 U.S.C. sec. 101, while section 103(b) distinguishes between the "material contributed by the author" of a compilation, and "the pre-existing material employed in the work." 17 U.S.C. sec. 103(b). The former is protected by copyright; the latter is not. This case turns on whether Feist copied compilation authorship or merely preexisting materials. The decisions cited by the parties are efforts to locate more precisely, in the context of compilations, "the line drawn [by the Act] between uncopyrightable facts and copyrightable expression of facts." *Miller v. Universal City Studios*, 650 F.2d 1365, 1371 (5th Cir. 1981).

The differing approaches of the lower courts to this question are presented to this Court as "a split in principle," Pet. at 10, and "a serious division among the cir-

cuits," Brief of Amici Curiae in Support of Petition for Certiorari at 5. IIA and ADAPSO submit that the dichotomy may be much less sharp than petitioner suggests.¹⁰ Indeed, common threads running throughout the precedential fabric suggest that any "split in principle" may have limited practical effect, and that any doctrinal "division" can be bridged.¹¹

Feist calls the two approaches "sweat of the brow" and "selection and arrangement." Pet. at 10. The labels may be misleading. The approaches can better be viewed as emphasizing different aspects of the same statutory language: the Act's definition of "compilation," 17 U.S.C. sec. 101. The so-called "sweat of the brow" cases—more accurately linked with the phrase "industrious collection"¹²—stress the "collection and assembling" of materials or data as an aspect of compilation authorship. The "selection and arrangement" cases focus on the other elements of compilation authorship in the statutory

¹⁰ Of course, to the extent that perceived inter-circuit conflicts raise doubts about the existence and scope of protection for databases and other compilations, the *status quo* may discourage investment in development of innovative and useful compilations. It would be anomalous if a database distributed over a nationwide computer network enjoyed different copyright protections in some states than in others. There is reason to question the extent to which this anomaly has occurred.

¹¹ Several decisions have held that yellow pages directories satisfy the criteria for copyrightability as a compilation under either approach. *Southern Bell Tel. & Tel. Co. v. Associated Tel. Directory Publishers*, 756 F.2d 801, 810, n.9 (11th Cir. 1985); *BellSouth Adv. & Pub. v. Donnelley Info. Pub.*, 719 F.Supp. 1551, 1557 (S.D. Fla. 1988).

¹² The fountainhead of this line of cases, *Jewelers' Circular Pub. Co. v. Keystone Pub. Co.*, 281 F. 83 (C.C.A. N.Y.), *cert. denied*, 259 U.S. 581 (1922) eschews the phrase "sweat of the brow", declaring instead that "the materials which [a compilation author] has collected" need not "show literary skill or originality . . . or anything more than industrious collection" in order to obtain copyright protection. *Id.*, at 88.

definition—"select[ing], coordinat[ing], or arrang[ing]" the data or materials.

The goal of both tests is to define the authorship that, brought to bear on unprotected materials, makes "the resulting work as a whole . . . an *original* work of authorship." 17 U.S.C. sec. 101 (emphasis added). Thus, many cases from both approaches stress originality in the limited sense in which it is used in the Act. In passing the Act, Congress explicitly stated that "this standard [of originality] does not include requirements of novelty, ingenuity or aesthetic merit, and there is no intention to enlarge the standard of copyright protection to require them." H.R. Rep. No. 1476, 94th Cong., 2d Sess. 51, reprinted in 1976 U.S. Code Cong. & Admin. News 5659.¹³ Thus, "[t]he test of originality is concededly one with a low threshold" *L. Batlin & Son, Inc. v. Snyder*, 536 F.2d 486, 490 (2d Cir. 1976).

The "industrious collection" cases can be read merely to reject the notion that some standard of novelty must be met to achieve copyright protection, while there are statements in the other line of cases that similarly reflect the low originality threshold erected by the Act. Thus, a leading "industrious collection" case states that a compilation is copyrightable even if it results from "only 'industrious collection,' not originality in the sense of novelty." *Schroeder v. William Morrow & Son*, 566 F.2d 3, 5 (7th Cir. 1977). Another case in this line similarly observes that "[o]riginality did not connote novelty or uniqueness but simply that the work be independently created." *Hutchinson Telephone*, 770 F.2d at 131.

¹³ Decisions under the prior 1909 Act held that "originality" did not require any element of novelty or uniqueness, but only independent creation. *Mazer v. Stein*, 347 U.S. at 218; *Alfred Bell & Co. v. Catalda Fine Arts, Inc.*, 191 F.2d 99, 102-3 (2d Cir. 1951); *L. Batlin & Son, Inc. v. Snyder*, 536 F.2d 486, 490 (2d Cir. 1976). This concept was "codif[ied] without change" in the 1976 Act. *Hutchinson Telephone*, 770 F.2d at 131.

The same approach is taken in a leading case that purportedly rejects "industrious collection," *Financial Information, Inc. v. Moody's Investor Service*, 751 F.2d 501, 507 (2d Cir. 1984), which notes that the selection, coordination or arrangement of material in a copyrightable compilation need only be "sufficient to meet the rather broad standard of originality which is phrased in terms of 'independent creation' rather than the narrower, inapplicable standards of 'uniqueness' or 'novelty' or 'ingenuity.'" Similarly, the court in *West Publishing Co. v. Mead Data Central*, 799 F.2d 1219 (8th Cir. 1986), cert. denied, 479 U.S. 1070 (1987), another "selection, coordination or arrangement" case, stated that "the standard for 'originality' is minimal. It is not necessary that the work be novel or unique, but only that the work have its origin with the author" 799 F.2d at 1223.¹⁴

Much in the case law supports a view of the two tests for compilation authorship as complementary rather than conflicting. The low threshold of originality may be met by considering both the author's activity in collecting and assembling the data, and his activity in selecting, coordinating or arranging it. Such an approach gives effect to the full text of the Act's definition of compilation, 17 U.S.C. sec. 101, and recognizes the role played by all listed aspects of compilation authorship.

B. The Court's Decision Should Reflect The Role Of Strong Copyright Protection In Providing Practical Incentives For The Development Of Databases And Other Compilations

Some early cases on copyright in compilations dismiss these works as trivial. See *Jewelers' Circular Pub. Co. v. Keystone Pub. Co.*, 281 F. 83, 97 (C.C.A. N.Y.), cert.

¹⁴ Amici call *West v. Mead* a "sweat of the brow" case, Brief of Amici Curiae in Support of Petition for Certiorari at 13. However, the holding of the case is that "West's case arrangements . . . are original works of authorship entitled to copyright protection." 799 F.2d at 1227 (emphasis added).

denied, 259 U.S. 581 (1922) (Hough, J, dissenting) (an "advertising row of no importance"). Whatever they may have been in the past, compilations today are big business. Commercially significant databases, such as those described in section I.A., *supra*, are the fruits of massive investments of money, time and human resources. In the Act, Congress carried out the constitutional authorization by legislating incentives for just this sort of investment, which ultimately benefits the public. U.S. Const. art. I, sec. 8, cl. 8; *Mazer v. Stein*, 347 U.S. 201 (1954). In applying the Act in this case, the Court's decision should reflect how strong copyright protection for databases and other compilations fosters a vital and growing information industry to meet society's evolving information needs.

In the competitive environment, development of a copyrightable database usually begins with identification of a market niche and potential customers. The author must assess the potential users' needs, capabilities and preferences, and then locate and evaluate the sources of the facts that are to be compiled. While sometimes there may be a single source, more often there are a multiplicity of sources whose contents must be sampled and selected for usefulness in the particular database. For example, a demographic database may draw upon public sources such as census data, property tax records, and voter registration files, and upon a plethora of proprietary sources that contain data on the target group such as purchasing patterns, subscriptions to catalogs or periodicals, and the like. Often the effort of collecting the right data involves extracting a needle of fact from a haystack of irrelevant data. Once access to the identified sources has been arranged through licensing or otherwise, their contents must be edited or refined for use in the new database, and then blended into a presentation format. The goal is to organize and deliver the information in a way that enables the intended user to access the information that he or she needs, in a manner calculated to maximize its

intelligibility and usefulness.¹⁵ Furthermore, most commercially significant databases are to some degree dynamic, requiring updating and revision either constantly or periodically.

These activities of collecting and assembling information, and of selecting, coordinating or arranging data to maximize its utility, are often extremely expensive and time-consuming. The successful development and distribution of a database often depends on the solution of complex technological and marketing problems, all of which demand their own share of scarce resources. The process also calls for a sophisticated knowledge of information science, of the study of information seeking behavior, and of the details of storage and retrieval systems and computer programs. If the resulting compilation seems simple to the user, it is precisely because of the complex web of authorial activity that went into its design and execution.

If the task before the Court were simply to choose one line of compilation copyright cases or the other, the activities summarized above could be laid next to one of two yardsticks. One test asks whether there has been "industrious collection" of facts. The other searches for a "modicum of selection, coordination or arrangement on [the compiler's] part." *Financial Information, Inc.*, 751 F.2d at 507.¹⁶

¹⁵ "The collector may change the form of information and so make it more accessible, or he may change the organization and so make it more understandable." *Rockford Map Publishers, Inc. v. Directory Serv. Co. of Colorado, Inc.*, 768 F.2d 145, 149 (7th Cir. 1985).

¹⁶ One particularly troublesome aspect of the approach taken in the *Financial Information, Inc.* case is the focus on "selectivity" of the compiler. The decision directs the District Court to determine whether potentially useful facts were omitted from the compilation, with the clear implication that such omissions would increase "the degree of 'selectivity' involved," 751 F.2d at 507, and with it the degree of authorship and hence of scope of protection for the com-

However, this is a false dichotomy, not only in terms of the caselaw and the Act, *see* Section II.A. *supra*, but also in terms of business realities. Neither approach viewed in isolation is wholly responsive to today's rapidly changing information environment. Surely "industrious collection" has changed over the decades. While canvassers do still plod through city streets to compile a directory, *see Jewelers' Circular*, 281 F. at 88, today's information collector is increasingly likely to use advanced hardware and software to roam computerized networks in search of data needed for the compilation. On the other hand, the demand to shoehorn the disparate activities of database development into identifiable acts of "selection, coordination or arrangement" begs the question the statute poses in its definition: is the "resulting work as a whole . . . an original work of authorship"? 17 U.S.C. sec. 101 (emphasis added).

As it applies either test, or a harmonized one of its own devising, the Court should bear in mind the consequences of unclear or insufficient protection for compilations. The database industry sells access to information. Widespread unauthorized access to commercially significant databases erodes their value and discourages investment in their creation, maintenance and improvement. A resolution of this case which appears to skew protection toward one aspect of compilation authorship, while deny-

pilation. Under this analysis, copyright protection would be afforded to compilations in inverse proportion to their comprehensiveness, which is to say (in many cases) to their commercial value and usefulness. To use an analogy from cartography, a form of factual compilation that has been protected by copyright since the first Copyright Act in 1790, this analysis would find less authorship in a United States map that included all the major cities than in a map that omitted Chicago. Leaving aside the fact that a "comprehensive" compilation can certainly satisfy the "originality" test of the Act, *see* p. 16, *supra*, a high degree of "selectivity" is often involved in determining the scope of the universe within which facts are to be comprehensively collected.

ing or minimizing the contributions made by other aspects, could distort the incentives that have helped to fuel the explosive recent growth of the database industry.¹⁷

Copyright is uniquely well suited to protect the investment in existing databases and to give incentives for further development of useful compilations of materials that may, in themselves, lack copyright protection. In theory, copyright may not be the only means for accomplishing these goals, but in practice it is the broadest and best, as well as the most appropriate means in our constitutional scheme for benefitting the public by encouraging such originality. *Mazer v. Stein*, 347 U.S. 201 (1954).

Today, access to electronic databases is, to a great extent, governed by contract. But new distribution methods, such as on-line information "gateways" and easily portable compact disks containing vast compilations of material, are rapidly expanding access to parties who may not be in contractual privity with database proprietors. These growing trends threaten to increase the uncertainty of contractual controls.

Similarly, Feist quotes Professor Nimmer's observation that compilations not properly protected by copyright should be protected "'under a theory of unfair competition'." Pet. at 8-9. But some courts that have denied copyright protection because of lack of compilation authorship have also found state law misappropriation protection to be pre-empted by section 301 of the Act, 17 U.S.C. sec. 301. *Financial Information, Inc. v. Moody's Investors Service, Inc.*, 808 F.2d 204, 208-9 (2d Cir. 1986), *cert.*

¹⁷ A recent federal government survey reports revenues of the electronic information service industry are expected to grow about 20 percent during 1990 to \$9 billion. Revenues are expected to reach \$19.2 billion over the next four years. U.S. Department of Commerce, *1990 Industrial Outlook*, 29-3 (1990). Of course, as noted above, on-line databases represent only part of the market for compilations, many of which are far more widely distributed in print form. *See* p. 7, n.5, *supra*.

denied, 484 U.S. 820 (1987). Even if state law protection were available to some compilations denied protection under copyright, such an approach would lack the uniformity and well-established legal structure provided by copyright law.

IIA and ADAPSO members are not only compilers, but also users of copyrightable compilations. Their interest in clear and strong protection for compilations is matched by their interest in access to those compilations, and to the preexisting data, for use as raw material in the development of competitive and improved information products. These interests can be harmonized because strong copyright protection is, as a practical matter, fully consistent with reasonable authorized access to copyrighted works. No trend is more pronounced throughout the information industry today than partnering and licensing arrangements in which one party is authorized to use another's compilation to develop a new product for the benefit of both. The property right to exclude others is often exercised to invite participation by others on mutually beneficial terms. If copyright protection for the compilation is weak or uncertain, authorized access, and with it public availability of the underlying data, may be reduced, not enhanced.

CONCLUSION

For the reasons stated, the Information Industry Association and ADAPSO, The Computer and Software Services Industry Association, Inc. respectfully urge the Court to consider the foregoing arguments in its disposition of this case.

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**In The
Supreme Court of the United States
October Term, 1989**

FEIST PUBLICATIONS, INC.,
Petitioner,

v.

RURAL TELEPHONE SERVICE COMPANY, INC.,
Respondent.

**BRIEF OF AMICUS CURIAE HAINES AND
COMPANY, INC., IN SUPPORT OF PETITIONER
FEIST PUBLICATIONS, INC.**

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No. 89-1909

**In The
Supreme Court of the United States
October Term, 1989**

FEIST PUBLICATIONS, INC.,

Petitioner,

v.

RURAL TELEPHONE SERVICE COMPANY, INC.,

Respondent.

**BRIEF OF AMICUS CURIAE HAINES AND
COMPANY, INC., IN SUPPORT OF PETITIONER
FEIST PUBLICATIONS, INC.**

THE INTEREST OF AMICUS CURIAE

This brief of *amicus curiae* Haines and Company, Inc. ("Haines") is being filed with the written consent of the parties. The parties' letters of consent are being filed concurrently with the Clerk of this Court.

The interest of Haines in the instant case arises from the fact that Haines filed a petition for a writ of certiorari (No. 90-731) on November 2, 1990, to review the judgment of the Court of Appeals for the Seventh Circuit in *Illinois Bell Telephone Company v. Haines and Company, Inc.*, 905 F.2d 1081 (7th Cir. 1990), holding Haines liable for copyright infringement for using alphabetical telephone directories as a source for information in creating its cross reference directories. The issues presented in the *Feist* and *Haines* petitions overlap to the extent that they both involve the question of whether the copyright in a telephone directory extends only to the selection, arrangement and

coordination used to express the facts contained therein. Haines' petition, however, raises this question in a broader context because it involves noncompeting directories and also raises the additional question of whether the absence of substantial similarity in expression between an alphabetical telephone directory and a cross reference directory precludes a finding of copyright infringement. The different facts and additional issues presented in Haines' petition may be of assistance to this Court in deciding the basic issue of what constitutes infringement of the copyright in a telephone directory.

A cross reference directory is a street address directory which is primarily used to discover information concerning street addresses in an area. (905 F.2d at 1084)¹ Sample segments of Haines' directory are reproduced below:

THE HAINES DIRECTORY

LILLIAN CT 60042 ISLAND LAKE

103	NISSEN C E	526-2343	9
105	SOMME ROBT A	526-6305	8
	SOMME ROBT A CHLD	526-9025	8
106	TUCKER WM	526-2492	3
107	GRANUM ERNEST H	526-5865	9
111	XXXX	00	
	* 0 BUS	6 RES	0 NEW

LILLIAN PL W 60002 ANTIOCH

22520	TURNER O W	395-1254	3
	* 0 BUS	1 RES	0 NEW

LILY W 60050 MC HENRY LILYMOOR AREA

701	COFFMAN RANDALL	385-1112	0
702	NETTLES CHAS E	385-5005	7
704	XXXX	00	
	* 0 BUS	3 RES	0 NEW

LILY LN 60021 FOX RIVER GRV

503	HOVORKA CLARENCE C	639-5370	+4
505	RODERICK ROBT J	639-8055	+4
	* 0 BUS	2 RES	2 NEW

LIMERICK DR 60013 CONT

2810	WEICHER MATHEW L	639-7143	6
2811	BIRCH LOUIS G	639-0306	+4
2812	MEYER WM A	639-1975	+4
2813	LALOND ALLEN	639-4459	
2814	IVERSON BARBARA	639-5835	9
2815	LALOND ALEX A	639-2898	1
2816	MOORE TERENCE	639-8128	3
2817	IGOE RUSSELL	639-1809	0
2818	XXXX	00	
2819	MCHAMARA PATK	639-8121	3
2820	XXXX	00	
2822	WILSON D	639-4189	
	* 1 BUS	21 RES	3 NEW

LINCOLN 60102 ALGONQUIN

308	XXXX	00	
309	CARDELLA P	658-9453	+4
	PAWLUSKI STANLEY	658-7508	
310	XXXX	00	
315	MARRAH THOS W	658-6876	
	MARRAH THOS W	658-6876	7
321	TRIPLETT WM J JR	658-4191	0
326	GREBENS CHAS B	658-4387	8
327	MAY GLENN H	658-6108	8
333	HINKLE JAS M	658-4662	0
401	JUDO ROBT C	658-7102	5
403	BEU MARIAN J	658-7442	+4
407	JANSEN CHAS R	658-2310	0
414	OAKES EVERETTE	658-8244	
420	BOHSE M	658-8807	7
426	ANDERSON NELS E	658-7128	2
427	PETTERSON H	658-4186	5
433	KASPER C	658-3821	2

THE HAINES DIRECTORY

1035	KIRKMAN HILL JENNIFER	225 OLIVER AV WOOD
1036	STROUDS BERN CH	226 COUNTY B WOOD
1040	SHENKIN CH	1001 WILSON WOOD
1051	OSSEN J D JR	1115 RIDGELAND AV WOOD
	OSSEN J D JR	1115 RIDGELAND AV WOOD
1053	RETHORIANE CH GRD	631 MC ALISTER AV W
1060	TOP O THE DORN	439 FRANKLIN WOOD
1075	BUTTERNUT BREAD BV	2000 GRAND AV WAO
1080	WINTERHEAD BANDER BN	712 GENESEE S WAO
1087	MC DONALD RESTINT	2249 BELVUE RD W
1092	REYES GROCERY STR	29 GENESEE S WAINES

(815)338-0010

0040	ROUSEY GLENN	220 DONOVAN AV E WOODST
0011	MAST DONALD C	525 CALHOUN E WOODSTOCK
0012	PABOS S M	342 VINE WOODSTOCK
0014	HEER M C	322 SEMINARY AV N WOODS
0017	WALSH JAS M	918 BLAKELY WOODSTOCK
0018	JARNECKE NORMAN L	1721 SEMINARY AV N W
0019	LEHMAN LARRY	476 JACKSON W WOODSTOCK
0020	HEUCHILLER S B MD	844 OAK WOODSTOCK
0021	BYLAN H JOE ATTY	111 DEAN WOODSTOCK
0022	CAPLAN MICHAEL S	1308 ISLAND CT WOODSTO
0023	WOODSTOCK NEWS AGCY	542 WASHINGTON
0024	TAYLOR GEO B	1217 BLAKELY WOODSTOCK
0025	WEDERMAN EDW A	888 SOUTH E WOODSTOCK
0026	THOMAS HENRI	315 MADISON N WOODSTOCK
0027	DEBORAH ARTHUR MD	4101 DEAN STREET RD W
0029	COMOR WM M	1410 DODWOOD LN WOODST
0029	THORNE H K	708 DEAN WOODSTOCK
0030	GLUTH FRANK	2202 STENG WOODSTOCK
0032	PULLERTON ROBT G	1312 OAKVIEW TER WOOD
0035	NICHOLS LUCILLE	111 TERRY CT WOODSTOCK

0181	STANGER EMMA MRS	312 TAPPAN WOODSTOCK
0182	ANDREW RUSSELL F	13201 HICKORY LN WOOD
0184	SHWEL RAYMOND C REV	1912 HICKORY RD W
0185	SCHNEIDERMAN LEROY	174 TERRY CT WOODS
0186	JOHNSON RAYMOND MRS	515 AED W WOODS
0187	FEDERAL LAND BANK	2002 SEMINARY AV N W
0188	MATHES CTY LAMES	189 CHURCH WOODSTOCK
0189	MCBROOK F L	351 MADISON S WOODSTOCK
0190	DONAHUE JOHN J	18509 COUNTRY CLUB RD W
0191	PHILIPP JACOB	420 LAUNDALE AV WOODSTO
0192	LEE JIM W	12901 PLEASANT AVE RD WOC
	NORTHMAN H ALARM CO	12901 PLEASANT AVE
0194	VANDEVEER MICHAEL	8412 CONCORD DR WOOD
0195	NELSON RUSSELL V	731 WHEELER WOODSTOCK
0196	BAYTON ROBT E	1250 MITCHELL WOODSTOCK
0197	BONE FRANKLIN S	1213 CLAY WOODSTOCK
0198	JOHNSON RONALD A	1427 SEMINARY AV N W
0199	LUMPP EDW T	14518 PLEASANT RD WOODSTOCK
0201	WHEATSON WM L	611 W HALL AV W WOODST
0202	SWITTS BOBBY SHOP	225 CALHOUN E WOODS
0203	CANNIZZARO E	115 DONOVAN AV E WOODST
0204	WILSON WM C	631 JEFFERSON S WOODSTO
0207	LUSTON DON J	525 PLEASANT WOODSTOCK
0210	WOODSTOCK OPTICAL BV	884 JACKSON W WOOD
0211	SCALLY E J	10612 COUNTRY CLUB RD WOOD
0212	ANDERSON GLENN E	418 PLEASANT WOODSTO
0213	PORT DONALD	3104 RAYCRAFT RD WOODSTO
0214	PHILLIPS BRADLEY	331 HAYWARD S WOODSTO
0215	KRUMPER MILTON	482 JACKSON W WOODSTOCK
0216	HELMER ROGER	542 PLEASANT WOODSTOCK
	HELMER ROGER SERV	542 PLEASANT WOODS
0217	VANDEVEER L	8412 CONCORD DR WOODSTOCK
0218	LUSH GEO E	406 PLEASANT RD W WOODST
0221	BAKER PETERSON CO	6001 VAN AV W WOOD
0222	SCHWARTZ FRANK	130 WASHINGTON WOODSTO

In creating its cross reference directories, Haines uses telephone directories along with other publications, such as United States Postal Service and Census Bureau compilations and maps, solely as sources for facts. Haines independently creates its own selection, arrangement, and organization of the facts it compiles from these various sources. *See Illinois Bell Telephone Company v. Haines and Company, Inc.*, 683 F. Supp. 1204, 1206 (N.D. Ill. 1988).

Illinois Bell Telephone Company ("IBT") brought suit against Haines in 1985, alleging Haines infringed the copyrights in thirty-four different IBT alphabetical telephone directories published in 1982 and 1983 by using them as sources for facts for Haines' five Chicago area cross reference directories.

¹ Haines has published cross reference directories since 1932, and the independent cross reference directory publishing industry has been in existence since 1917. Its members publish over 600 directories serving virtually every community with over 20,000 households and businesses.

(683 F. Supp. at 1206-1207) Reproduced below is a sample segment of an IBT telephone directory:

KACZYNSKI B—KAI	ILLINOIS BELL	676
Kaczynski Boguslaw 5126 Wagoner Av — 283-4338	Kadai Stanley 815841 Wagoner Av — 334-4229	
Kaczynski Bruno J 3518 S Park Av — 984-9846	Kadamski Arthur 2588 W Thorne Av — 989-6775	
Kaczynski Casimir 13010 S Houghton Av — 646-3491	Kadolph David H 5819 W Race Av — 261-5128	
Kaczynski David KCPA 30 S Wacker Av — 387-8888	Kadolph J 1827 W Wagoner — 361-1153	
Kaczynski Fella S 4843 W 43rd — 588-9421	Kadolph Joseph A 2838 Wagoner Av — 777-3938	
Kaczynski Frank 3835 Wacker Av — 545-3507	Kadonaga Aldro 1918 W Race Av — 477-6884	
Kaczynski Kathleen R 3316 W Calumet Av — 267-8693	Kadov C 6322 H Troy — 743-4886	
Kadajski Joanne 3145 W Highway Av — 583-3167	Kadov Clarence 3732 Wagoner Av — 325-4783	
Kadala Suresh 6204 N Wagoner — 274-9736	Kadov E L 1908 Wagoner Av — 465-1815	
Kadala Anandh 6204 N Wagoner — 465-1712	Kadov Esther 429 W Race Av — 929-5696	
Kadala Min R 4917 N St Louis Av — 463-2283	Kadov Joan 5262 W Wagoner Av — 734-2927	
Kadala Rajesh 4826 N Wagoner Av — 588-2704	Kadov Joe 448 W Wagoner Av — 929-8889	
Kadala Ulrich 6548 N Wagoner Av — 338-8574	Kadov L C 3181 W Wagoner Av — 761-8444	
Kadala Stephen J 2443 N Calumet Av — 342-3176	Kadov Michael 14937 W Carman Av — 545-3788	
Kadala Nathan Mary — 4621 W Wagoner Av — 478-9918	Kadov Robt G 5531 W Wagoner Av — 774-3824	
Kaden Joseph 5815 S Wagoner — 476-4449	Kadovski Paul 6171 N Wagoner Av — 262-2853	
Kadenoff Leo 5424 S East Ave — 752-8887	Kadris Katherine 1934 N Clark — 337-4665	
Kadens Elizabeth 10 W Elm — 642-6882	Kado 3508 Orleans — 222-8629	
Kaden Dorothy V 4854 S Albany Av — 247-1986	Kadoh Chas B 18758 S State Line — 375-8344	
Kaden Frank R 5937 S Trip Av — 735-2541	Kadohara Helen 5518 N Wagoner Av — 784-7353	
Kaden John A 5538 S Rockwell — 434-3549	Kadohara Voluntha 5523 Wagoner Av — 275-9958	
Kaden Kenneth 8124 S Rockwell — 735-3417	Kader Harot 5528 N Clark — 388-9461	
Kaden Edgar 2880 N Lake St Dr — 949-8878	Kaden John J 3618 W Wagoner Av — 348-4923	
Kaden Elson 3508 Orleans — 644-1763	Kaden John G 2908 Wagoner Av — 871-8687	
Kaden Harbert L 5645 S Harper Av — 752-5472	Kaden John D 4941 S Rockwell — 767-6238	
Kaden J 1238 N State — 943-3265	Kaden John H 1859 N Wagoner Av — 276-3781	
Kaden Rudolph E 5247 N Wagoner Av — 334-7987	Kaden John J 5885 W Wagoner — 734-4384	
Kade D 4447 N Sacramento Av — 973-3174	Kaden Leonard M — 2528 Wagoner Av — 628-2758	

IBT admitted that Haines' directories are completely dissimilar to IBT's directories in selection, arrangement, and purpose, and that Haines did not copy any of the original elements of IBT's directories. (683 F. Supp. at 1210) IBT limited its claim of infringement to Haines' use of information from IBT's directories. (683 F. Supp. at 1207) The District Court for the Northern District of Illinois held Haines liable for copyright infringement, stating Seventh Circuit law "protects a plaintiff compiler's copyright for even those facts that the plaintiff gathered from the public domain." (683 F. Supp. at 1209)

The Seventh Circuit affirmed the District Court's holding that a copyright in an alphabetical telephone directory protects the facts in the directory apart from their expression. (905 F.2d at 1086) The Seventh Circuit specifically rejected the principle that only the taking of a compilation's selection, coordination and arrangement of facts is prohibited by the Copyright Act. (905 F.2d at 1085) The Court also rejected the contention that only the use of substantially similar expression constitutes infringing use under the copyright law. (905 F.2d at 1086)

The harmful consequences of the *Feist* decision are demonstrated by its application to the facts in the *Haines* case. Cross

reference directories are useful works which serve completely different purposes than telephone directories. They are, therefore, a type of work which the policy promoting the free flow of information encourages. Under the *Haines* decision, however, the production of such works will be enjoined, with the result that the public will be deprived of a work whose function cannot be fulfilled by a telephone directory.

SUMMARY OF ARGUMENT

The Copyright Act provides specific limits on the protection accorded copyrighted works. 17 U.S.C. §§ 102 (b), 103 (b). The Copyright Act also specifies those elements of a compilation of facts which are properly protected. 17 U.S.C. § 101. The limits on protection provided by the Copyright Act are mandated by both the Constitutional grant of authority to enact copyright laws to protect only the "writings" of "authors" and the First Amendment. By holding that any copying of facts appearing in a copyrighted telephone directory constitutes infringement, the courts in *Feist* and in *Haines* have expanded the law of copyright well beyond its Constitutionally and statutorily defined limits.²

The *Feist* and *Haines* decisions also abolished the test of infringement requiring substantial similarity in expression. By misapplying precedent, these Courts equated the admission of use of a copyrighted work as a source for facts with proof of infringement of protected expression. This distorts the nature of a copyright, which is limited to the protection of an author's original expression from unauthorized use.

ARGUMENT

I. THE COURTS IN *FEIST* AND *HAINES* IMPROPERLY APPLIED THE COPYRIGHT ACT

Copyright is a statutorily created privilege and not a common law right. *Wheaton v. Peters*, 33 U.S. (8 Pet.) 591, 660-61, 663 (1834). *Accord*, *White-Smith Music Co. v. Apollo Co.*, 209 U.S. 1, 15 (1907). As stated in *Sony Corp. of America v. Universal*

² *Haines* has never relied on the fair use defense, nor has it contested the copyrightability of telephone directories.

City Studios, Inc., 464 U.S. 417, 429 (1984), "As the text of the Constitution makes plain, it is Congress that has been assigned the task of defining the scope of the limited monopoly" granted by the copyright law. Thus, "the language of the statute provides the starting point." *Stewart v. Abend*, ____ U.S. ____, 110 S. Ct. 1750, 1770, 109 L. Ed. 2d 184, 213 (1990) (Stevens, J., dissenting). *Accord*, *Community for Creative Non-Violence v. Reid*, 490 U.S. ____, 109 S. Ct. 2166, 104 L. Ed. 2d 811 (1989).

Specific provisions of the Copyright Act and the Constitution prohibit the protection of facts in a work as opposed to the original expression in which they are used. Section 102 (a) of the Copyright Act, 17 U.S.C. § 102 (a), provides that copyright protection subsists only in "original works of authorship." This requirement of originality reflects the Constitutional grant of authority to Congress to enact copyright laws to protect only the "writings" of "authors." U.S. Constitution, art. I, § 8, cl. 8. Since facts do not originate with an author, they cannot be the subject matter of copyright. *Miller v. Universal City Studios, Inc.*, 650 F.2d 1365, 1368 (5th Cir. 1981); M. & D. Nimmer, 1 Nimmer on Copyright, § 2.03 [E], pp. 2-34.1 — 2-34.2 (1989).

Section 102 (b) of the Copyright Act specifically states that protection of a work does not extend to any "idea" or "discovery" appearing in the work "regardless of the form in which it is described, explained, illustrated, or embodied." The committee notes to this section confirm this dichotomy between facts and an author's expression:

Copyright does not preclude others from using ideas or information revealed by the author's work. It pertains to the literary, musical, graphic, or artistic form in which the author expressed intellectual concepts.

Report of the Committee on the Judiciary, H.R. Rep. No. 1476, 94th Cong., 2d Sess., p. 56 (1976).

This Court, in *Harper & Row Publishers, Inc. v. Nation Enterprises*, 471 U.S. 539, 559 (1985), recognized that under § 102 (b), "No author may copyright his ideas or the facts he narrates." This Court further held that the First Amendment

necessitates the dichotomy between facts and their expression set forth in § 102 (b), stating (471 U.S. at 560):

The Second Circuit noted, correctly, that copyright's idea/expression dichotomy strikes a definitional balance between the First Amendment and the Copyright Act by permitting full communication of facts while still protecting an author's expression.

Compilations of facts may constitute proper subjects of copyright under 17 U.S.C. § 103 (a). Section 103 (b) limits the scope of protection of compilations, however, in accordance with § 102, to the material contributed by the author, as distinguished from the preexisting facts contained in the work. Section 101 of the Act specifically defines the originality in a compilation as the arrangement, coordination and selection displayed by the compilation as a whole:

A 'compilation' is a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship.

Thus, the only original material an author of a compilation of facts can possibly contribute is the selection, ordering and arrangement of facts. M. & D. Nimmer, 1 Nimmer on Copyright, § 2.04 [B], pp. 2-40 — 2-42; § 3.04, pp. 3-16 — 3-18 (1989); Patry, *Copyright in Collections of Facts: A Reply*, Communications and the Law 10, 16 & n.30 (October 1984). A prohibition against the use of facts apart from their expression in a compilation would violate Article I of the Constitution, Sections 102 and 103 of the Copyright Act and the First Amendment. By ignoring these statutory and Constitutional limitations, the courts in *Feist* and *Haines* have granted telephone companies an absolute monopoly over the information contained in their directories.

An extension of a telephone utility's monopoly to prohibit use of customer information violates the fundamental policy underlying the Copyright Act. This policy is to encourage the creation of works of intellect by protecting an author's expression, while at the same time permitting the public to benefit from

the progress resulting from further use of the ideas and information published in such works. *Harper & Row Publishers, Inc. v. Nation Enterprises*, 471 U.S. 539, 558, 563 (1985); *Sony Corp. of America v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984); *Hoehling v. Universal City Studios, Inc.*, 618 F.2d 972, 980 (2d Cir.), *cert. denied*, 449 U.S. 841 (1980). By eliminating the dichotomy between facts and expression, the decisions in *Feist* and *Haines* destroy the balance struck by the Copyright Act between the interests of authors and the public. If these decisions are allowed to stand, they will stifle the progress which the copyright law is designed to promote.

II. THE COURTS IN *FEIST* AND *HAINES* HAVE ELIMINATED THE REQUIREMENT OF APPROPRIATION OF EXPRESSION IN COMPILATION CASES

A. Copyright Infringement Requires Proof Of Substantial Similarity Of Expression

The decisions in both *Feist* and *Haines* discard the traditional test of copyright infringement requiring substantial similarity in expression.³ The rejection of this standard distorts the rights granted by the Copyright Act.

In determining whether the copyright in a work has been infringed, courts have long required a showing that 1) the defendant used or "copied from" plaintiff's copyrighted work and 2) the copying constituted an "improper appropriation" of plaintiff's protected expression. *Hoehling v. Universal City Studios, Inc.*, 618 F.2d 972, 977 (2d Cir.), *cert. denied*, 449 U.S. 841 (1980); *Arnstein v. Porter*, 154 F.2d 464, 468 (2d Cir. 1946).⁴

³ The District Court in *Feist* held because petitioner admitted copying facts from respondent's directory, "we need not resort to an analysis of whether there was a substantial similarity between the two directories." (Pet. at 11a) The District Court in *Haines* relied on this holding in rejecting consideration of whether any of the expression of IBT's directories was used. (683 F. Supp. at 1209, 1210) The Seventh Circuit adopted this reasoning. (905 F.2d at 1086)

⁴ Some courts follow a test, based on the requirements of copying and improper appropriation established in *Arnstein*, which requires 1) copying of ideas; and 2) copying of a substantially similar expression. See *Sid & Marty Krofft Television Productions, Inc. v. McDonald's Corp.*, 562 F.2d 1157, 1164 (9th Cir. 1977).

Improper appropriation of expression requires a showing that the material copied is protected by the author's copyright and that the parties' works are substantially similar. *Universal Athletic Sales Co. v. Salkeld*, 511 F.2d 904, 907 (3d Cir.), *cert. denied*, 423 U.S. 863 (1975); W. Patry, *Latman's The Copyright Law* 196-197 (6th ed. 1986).

The preliminary requirement of use or "copying" merely "protects the defendant who has never consulted the plaintiff's work but whose work is, because of coincidence or artistic convention, substantially similar to the plaintiff's." P. Goldstein, 2 Copyright § 7.12, p. 7 (1989). Once a court has established that a copyrighted work has been used or "copied," it must then proceed to determine whether that use or "copying" amounts to an infringement. *Nash v. CBS, Inc.*, 899 F.2d 1537, 1539-40 (7th Cir. 1990). As recognized by this Court, "... 'use' is not the same thing as 'infringement,' ... use short of infringement is to be encouraged." *Teleprompter Corp. v. Columbia Broadcasting System, Inc.*, 415 U.S. 394, 398 n.2 (1974), quoting B. Kaplan, *An Unhurried View Of Copyright* 57 (1967).

The courts in *Haines* and *Feist* misapplied the test of copyright infringement by merging the factual question of whether the defendants in those cases used the plaintiffs' works, which both defendants admitted, with the ultimate question of whether such use constituted an unlawful appropriation of expression.⁵ *Harper House, Inc. v. Thomas Nelson, Inc.*, 889 F.2d 197, 207-08 (9th Cir. 1989); *Universal Athletic Sales Co. v. Salkeld*, 511 F.2d 904, 907, 909 (3d Cir.), *cert. denied*, 423 U.S. 863 (1975). The defendants' admissions of "copying from" the plaintiffs' works in *Haines* and *Feist* only relieved the courts from determining circumstantially whether the act of "copying from" those works occurred. If "copying from" the plaintiffs' works had been denied, then the courts would have had to determine whether such "copying" occurred by, *inter alia*, comparing the parties' works for similarities in unprotected elements, as well as in expression. W. Patry, *Latman's The Copyright Law* 193, 196-197

⁵ While the District Court in *Haines* stated that "copying must also be infringing," it erroneously analyzed this requirement as a "common law fair use defense," rather than in terms of improper appropriation of expression. (683 F. Supp. at 1210)

(6th ed. 1986). As stated in *Universal Athletic Sales Co. v. Salkeld*, 511 F.2d 904, 907 (3d Cir.), cert. denied, 423 U.S. 863 (1975), however, "substantial similarity to show that the original work has been copied is not the same as substantial similarity to prove infringement." Accord, W. Patry, *Latman's The Copyright Law* 193 & n.18 (6th ed. 1986) (noting that courts use "substantial similarity" to describe "both that type of similarity used to establish indirect proof of copying and that necessary to establish a *prima facie* case of infringement").

In analyzing whether there is substantial similarity in expression, similarities relating to unprotected elements such as facts are entirely irrelevant. The trier of fact, therefore, must exclude such elements in its substantial similarity analysis. *Harper House, Inc. v. Thomas Nelson, Inc.*, 889 F.2d 197, 207 (9th Cir. 1989); *Walker v. Time Life Films, Inc.*, 784 F.2d 44, 48-49, 51 (2d Cir.), cert. denied, 476 U.S. 1159 (1986). As stated in *Cooling Systems & Flexibles, Inc. v. Stuart Radiator, Inc.*, 777 F.2d 485, 493 (9th Cir. 1985):

What is important is . . . whether the very small amount of protectible expression in Cooling Systems' catalog is substantially similar to the equivalent portions of Stuart's catalog.

Accord, *Taft Television & Radio Co. v. King Broadcasting Co.*, 5 U.S.P.Q. 2d 1355, 1358 (9th Cir. 1987); *Nash v. CBS, Inc.*, 704 F. Supp. 823, 826 (N.D. Ill. 1989), aff'd, 899 F.2d 1537 (7th Cir. 1990).⁶ Thus, a plaintiff must show the defendant copied a substantially similar selection, coordination and arrangement to show the copyright in its compilation of facts has been infringed.

⁶ To determine whether the expression, rather than the ideas, of a fictional work has been appropriated, the trier of fact determines whether the "ordinary reasonable person" would find the parties' works are substantially similar. *Hartman v. Hallmark Cards, Inc.*, 833 F.2d 117, 120-21 (8th Cir. 1987); *Sid & Marty Krofft Television Productions, Inc. v. McDonald's Corp.*, 562 F.2d 1157, 1164 (9th Cir. 1977); *Ideal Toy Corp. v. Fab-Lu Ltd.*, 360 F.2d 1021, 1022 (2d Cir. 1966).

B. The Courts In *Feist* and *Haines* Misinterpreted Authority Requiring "Copying"

Both *Feist* and *Haines* eliminated the need to prove an allegedly infringing work is substantially similar to a copyrighted work by misinterpreting an explanation of the elements necessary for a copyright infringement claim set forth in M. & D. Nimmer, 3 Nimmer on Copyright § 13.01, p. 13-4 (1989). This explanation states two elements are necessary to state a copyright infringement claim: ownership of the copyright by plaintiff; and copying by the defendant.⁷ The *Feist* and *Haines* courts mistakenly equated "copying" of information with copying of protected expression. The Nimmer treatise, however, clearly states that mere use of information does not constitute infringement (§ 13.03[B][2][b], p. 13-56):

Because no copyright may exist in facts per se, the copyright in a book dealing with factual matters cannot be infringed by a work that copies such facts, but in a manner in which the particular verbal description of such facts is not copied.

Thus, the "copying" Nimmer refers to is the copying of a substantially similar expression (§ 13.03[A], p. 13-23):

just as copying is an essential element of infringement, so substantial similarity between the plaintiff's and defendant's works is an essential element of copying.⁸

The only possible admission of infringement under this analysis is an admission of copying the author's expression, which was absent from *Haines* and *Feist*.

⁷ In stating the "ownership plus copying" explanation, the Seventh Circuit in *Haines* cited *Atari, Inc. v. North American Philips Consumer Electronics Corp.*, 672 F.2d 607, 614 (7th Cir.), cert. denied, 459 U.S. 889 (1982), which had cited Nimmer as establishing this test. (905 F.2d at 1086) The *Feist* court cited *Wickham v. Knoxville International Energy Exposition, Inc.*, 739 F.2d 1094, 1097 (6th Cir. 1984), which also cited Nimmer in support of the "ownership plus copying" test. (Pet. at 8a-9a)

⁸ The Nimmer treatise further states that only the arrangement of a telephone directory, if it is original, may be protected under the copyright law. (§ 3.04, pp. 3-18 — 3-20.1)

The Seventh Circuit in *Haines* misapplied its own authority in affirming the District Court's finding that proof of appropriation of protected expression is not required for a finding of infringement. In *Haines*, the Seventh Circuit quoted the Nimmer explanation from *Atari, Inc. v. North American Philips Consumer Electronics Corp.*, 672 F.2d 607, 614 (7th Cir.), cert. denied, 459 U.S. 889 (1982). (905 F.2d at 1086) In *Atari*, however, the Court held infringing copying consists of "appropriation of only those elements of the work that are protected by copyright" and recognized improper appropriation of expression, in addition to "copying," is required (672 F.2d at 615):

Some courts have expressed the test of substantial similarity in two parts: (1) whether the defendant copied from the plaintiff's work and (2) whether the copying, if proven, went so far as to constitute an improper appropriation.

The Seventh Circuit subsequent to *Atari* established a similar four-part standard for a copyright infringement action, which requires ownership and originality of the work, plus "copying the work by the defendant and a substantial degree of similarity between the two works." (emphasis added) *Evans Newton, Inc. v. Chicago Systems Software*, 793 F.2d 889, 893 (7th Cir.), cert. denied, 479 U.S. 949 (1986); *Selle v. Gibb*, 741 F.2d 896 (7th Cir. 1984).

The case cited in *Feist* as authority for the "ownership plus copying" test of infringement, *Wickham v. Knoxville International Energy Exposition, Inc.*, 739 F.2d 1094, 1097 (6th Cir. 1984) (Pet. at 8a-9a), also recognized that substantial similarity in expression is required to show infringing copying:

Thus, copying is an essential element of infringement and substantial similarity between the plaintiff's and defendant's works is an essential element of copying. (emphasis added)

Feist further cited *Durham Industries, Inc. v. Tomy Corp.*, 630 F.2d 905 (2d Cir. 1980), which also contradicts its position. (Pet. at 11a) In *Durham*, the Second Circuit recognized the requirement that there exist substantial similarity of expression and granted

summary judgment for the defendant, noting "Where the similarity demonstrated pertains solely to noncopyrightable material, summary judgment is appropriate." (630 F.2d at 915, citing *Hoehling v. Universal City Studios, Inc.*, 618 F.2d 972, 977 (2d Cir.), cert. denied, 449 U.S. 841 (1980)).

Thus, in all of the precedent cited by both the *Haines* and *Feist* courts to reject proof of substantial similarity in expression as a requirement for a finding of copyright infringement, proof of substantial similarity in expression was held to be an element of a *prima facie* case of infringement.

III. THE COPYRIGHT ACT PROVIDES NARROW PROTECTION TO TELEPHONE DIRECTORIES

Because the copyright law promotes the dissemination of ideas and information, the scope of protection afforded a work narrows as original expression decreases. *Harper & Row Publishers, Inc. v. Nation Enterprises*, 471 U.S. 539 564 (1985); *Landsberg v. Scrabble Crossword Game Players, Inc.*, 736 F.2d 485, 488 (9th Cir.), cert. denied, 469 U.S. 1037 (1984). Works communicating facts and information are, therefore, entitled to less protection than more creative works. *Cooling Systems & Flexibles, Inc. v. Stuart Radiator, Inc.*, 777 F.2d 485, 492 (9th Cir. 1985).

As this Court held in *Harper & Row*, the "law generally recognizes a greater need to disseminate factual works than works of fantasy." (471 U.S. at 563) This Court recognized that less expressive factual works, such as directories, are entitled to correspondingly less protection in order to ensure that copyright does not impede the dissemination of published facts:

[E]ven within the field of fact works, there are gradations as to the relative proportion of fact and fancy. One may move from sparsely embellished maps and directories to elegantly written biography. The extent to which one must permit expressive language to be copied, in order to assure dissemination of the underlying facts, will thus vary from case to case.

(471 U.S. at 563, quoting Gorman, *Fact or Fancy? The Implications for Copyright*, 29 J. Copyright Soc. 560, 563 (1982))

Virtually no independent creativity is involved in creating telephone directories. Publication of these directories is required by law, and the contents of the directory are largely dictated by statute as well. Despite the limited amount of authorship in IBT's telephone directories and IBT's admission that Haines used none of that authorship, the Seventh Circuit in *Haines* provided IBT's telephone directories with extraordinary protection.

CONCLUSION

For the foregoing reasons, *amicus curiae* Haines and Company, Inc., respectfully submits that this Court should hold that the Copyright Act protects only against the use of the original selection, arrangement and coordination used by the author of a telephone directory and that underlying facts cannot be protected against subsequent use merely because they appear in a copyrighted directory.

Respectfully submitted,

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In the
Supreme Court of the United States
October Term, 1990

FEIST PUBLICATIONS, INC.,
Petitioner,
v.

RURAL TELEPHONE SERVICE COMPANY, INC.,
Respondent.

On Writ of Certiorari to the
United States Court of Appeals
for the Tenth Circuit

**BRIEF OF WEST PUBLISHING COMPANY
AS AMICUS CURIAE IN SUPPORT OF
RESPONDENT RURAL TELEPHONE SERVICE COMPANY**

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PRELIMINARY STATEMENT

West Publishing Company ("West") submits this brief as *amicus curiae* pursuant to Rule 37.3 of the Rules of this Court in support of Respondent Rural Telephone Service Company, Inc.¹

INTEREST OF AMICUS CURIAE

West is generally interested in copyright issues relating to compilations, and particularly issues regarding the copyrightability of compilations and scope of protection given to compilations as a whole and to the assembled data contained therein. Many of West's publications, such as its National Reporter System publications, contain significant amounts of public domain materials, including judicial decisions and statutes. West collects and assembles these materials, creates a variety of related editorial enhancements such as synopses, headnotes, key number classifications and annotations and then compiles and publishes such materials and enhancements in convenient and accessible formats. West also compiles and makes available many of these materials and enhancements on WESTLAW, its online computer-assisted legal research service, and, more recently, on its West CD-ROM Libraries compact disc products.

In recent years, West increasingly has been required to seek judicial relief to prevent infringement of its copyrighted compilations. For example, West was forced to act to prevent unauthorized copying by Mead Data Central, Inc. of the copyrighted case report arrangements contained in its National Reporter System publications. *West Publishing Co. v. Mead Data Central, Inc.*, 799 F.2d 1219 (8th Cir. 1986), *cert. denied*, 479 U.S. 1070 (1987). Although West has been successful in protecting its copyrighted compilations, the judicial rulings in West's favor have, on occasion, been misunderstood or mischaracterized by third parties in later litigation, as was done here by the Association of North

¹ Consent to file this brief was given by both parties and has been separately filed with the Clerk of Court.

American Directory Publishers and the Directory Publishers Association in their *amicus curiae* brief in support of Petitioner's request for a writ of certiorari ("NADP Cert. Brief"), and by commentators.²

With respect to the present case, West is critically concerned with the attempt by Petitioner and the various

²For example, the assertion by NADP that the decision in *West Publishing Co. v. Mead Data Central, Inc.*, 799 F.2d 1219 (8th Cir. 1986), *cert. denied*, 479 U.S. 1070 (1987), was based on the purported "sweat of the brow" doctrine simply is not true. See NADP Cert. Brief at 13. The Eighth Circuit did not rely on the "sweat of the brow" doctrine in reaching its decision. Instead, in recognizing the validity of West's copyrights, the Eighth Circuit expressly found that West's case arrangements contained in its National Reporter System publications constituted original works of authorship protected by the Copyright Act:

We conclude, as did the District Court, that the arrangement West produces through this process is the result of considerable labor, talent, and judgment. As discussed above, [citation omitted] to meet the intellectual-creation requirements a work need only be the product of a modicum of intellectual labor; West's case arrangements easily meet this standard. Further, since there is no allegation that West copies its case arrangements from some other source, the requirement of originality poses no obstacle to copyrighting the arrangements.

799 F.2d at 1226-27.

Further, while the Eighth Circuit's decision in *West v. Mead* has been widely discussed by commentators, the decision clearly has not been "the object of near-universal scholarly criticism" as asserted by *amicus* NADP. See NADP Cert. Brief at 13. The decision has been cited and/or discussed by many different commentators in law review articles, treatises and other periodicals, and has been approved of in both result and reasoning by a substantial number of such commentators. See, e.g., Gorman, *Opinion on Legal-Research Services Raises Major Computer-Age Issues*, Nat'l L.J., July 20, 1987, at 40; Davidson, *Common Law, Uncommon Software*, 47 U. Pitt. L. Rev. 1037 (1986); Case Comment, *Copyright Protection for Citations to a Law Reporter: West Publishing Co. v. Mead Data Central, Inc.*, 71 Minn. L. Rev. 991 (1987); Note *Copyrighting the Book of Numbers—Protecting the Compiler: West Publishing Co. v. Mead Data Central, Inc.*, 20 Creighton L. Rev. 1133 (1987); Comment, *West Publishing Co. v. Mead Data Central, Inc. (LEXIS)*, 14 Rutgers Computer & Tech. L.J. 359 (1988).

For example, Professor Gorman has stated that:

amici curiae supporting Petitioner ("*Amici*") to alter long-standing, fundamental principles of copyright law upon which West and other publishers have relied in structuring their business operations and creating and distributing their publications.

SUMMARY OF ARGUMENT

Under the current Copyright Act, the copyrightability of a compilation depends upon whether it is an "original work of authorship." 17 U.S.C. § 102(a). In utilizing that terminology, Congress expressly intended to incorporate the standard of originality established under the Copyright Act of 1909 ("1909 Act"). The test of originality, and hence copyrightability, under the 1909 Act did not require that a compilation of data possess some novel or unique element of "selection, coordination or arrangement" in order to be

To a considerable extent, *West* can be viewed as merely applying, in a specific factual context (albeit one of special fascination for lawyers), conventional rules of copyright law regarding originality, infringement and fair use of compilations. It is, however, a case that raises these issues in the context of new computer technologies, which challenge certain basic assumptions about the scope of protection of factual compilations in an age of almost instantaneous absorption, manipulation and restructuring of information.

Although the outcome of the case will no doubt stir debate at the bar (in the courtroom and over across the street), it moves the law in a sound direction.

Gorman, Nat'l L.J., July 20, 1987, at 41.

In addition to commentators, a number of courts have cited the case with approval for a variety of propositions. See, e.g., *Atari Games Corp. v. Oman*, 888 F.2d 878, 882-83 (D.C. Cir. 1989) (standard of originality required for copyrightability); *M. Kramer Mfg. Co. v. Andrews*, 783 F.2d 421, 438 (4th Cir. 1986) (while facts are not copyrightable, their original arrangement in a compilation may be copyrighted); *Lotus Dev. Corp. v. Paperback Software Int'l*, 740 F. Supp. 37, 48 (D. Mass. 1990) (discussing original works of authorship); *Rand McNally & Co. v. Fleet Management Sys.*, 634 F. Supp. 604, 606 (N.D. Ill. 1986) (difference in arrangement in computer database compared to that of printed work does not preclude finding infringement).

protected; nor were such features the only elements of a compilation which were protected by courts under the 1909 Act. In enacting the Copyright Act of 1976 ("1976 Act"),³ Congress did not repudiate or intend to repudiate any of the decisions which set forth the protection accorded compilations under the 1909 Act. To the contrary, the expressed intent of Congress was to adopt and codify the scope of protection accorded compilations under existing case law.

Petitioner's and *Amici's* arguments that the only protectible elements of a compilation of factual material are the "selection, coordination or arrangement" thereof, and that substantial copying of the collection and assemblage of factual material contained in a compilation is permitted as long as the "selection, coordination or arrangement" of the material is not copied, rest upon a serious misreading of the definition of "compilation" contained in the 1976 Act. A proper reading of the definition demonstrates that Congress neither intended to narrow the variety of works traditionally protected as compilations, nor to limit the traditional protection accorded to such "original works of authorship."

ARGUMENT

I. THE DECISION REACHED BELOW IS NOT IN CONFLICT WITH THE DECISION OF ANY OTHER CIRCUIT INVOLVING A DIRECTORY

Despite the assertions by Petitioner and *Amici*, the district court and the Tenth Circuit did not rely on the so-called "sweat of the brow" doctrine of copyright protection in their decisions. Neither court expressed any opinion regarding such doctrine nor stated that its decision was the result of an application of the doctrine.

Instead, the courts below rendered decisions which are in accordance with the result reached by every circuit that has ever been presented with a claim of infringement of a copyrighted directory under either the 1909 or 1976 Act—

³The Copyright Act of 1976, found at Title 17 of the United States Code, was enacted in 1976 and became effective on January 1, 1978.

the collection and assemblage of names, addresses and other data contained in a copyrighted directory cannot be copied or otherwise used as a source to create a competing directory, whatever the precise theory of protection relied upon by a particular court. *Illinois Bell Tel. Co. v. Haines & Co.*, 905 F.2d 1081 (7th Cir. 1990) (telephone directory); *Konor Enterprises, Inc. v. Eagle Publications, Inc.*, 878 F.2d 138 (4th Cir. 1989) (telephone directory); *United Tel. Co. v. Johnson Publishing Co.*, 855 F.2d 604 (8th Cir. 1988) (telephone directory); *Hutchinson Tel. Co. v. Fronteer Directory Co.*, 770 F.2d 128 (8th Cir. 1985) (telephone directory); *Southern Bell Tel. & Tel. Co. v. Associated Tel. Directory Publishers*, 756 F.2d 801 (11th Cir. 1985) (telephone directory); *Adventures in Good Eating, Inc. v. Best Places to Eat, Inc.*, 131 F.2d 809 (7th Cir. 1942) (restaurant directory); *Leon v. Pacific Tel. & Tel. Co.*, 91 F.2d 484 (9th Cir. 1937) (telephone directory); *Jeweler's Circular Publishing Co. v. Keystone Publishing Co.*, 281 F. 83 (2d Cir.), cert. denied, 259 U.S. 581 (1922) (trademark directory).⁴

Quite simply, no court of appeals, when presented with the type of systematic copying from a copyrighted directory present in this case, has ever concluded that such copying was not an infringement. Thus, there is no conflict between the result reached by the Tenth Circuit below and the result reached by every other circuit presented with the same factual circumstance.

In addition, because the Tenth Circuit did not rely upon the "sweat of the brow," or, more appropriately, the "industrious collection" doctrine, there is not even a conflict *in principle*. In fact, the cases which may appear to utilize the supposedly separate rationales of "industrious collection" and "selection and arrangement" do not even conflict in theory when closely analyzed. Previous compilation decisions are best understood not as advocating two separate theories of protection, but rather as emphasizing the different aspects of authorship reflected in

⁴In fact, the clarity of existing precedent on this point is likely the reason the Tenth Circuit elected to dispose of this matter with an unpublished opinion.

compilations. Some cases emphasize the author's "selection or arrangement" of data, while others emphasize the authorship in "collecting and assembling" individual facts to create a compilation of data.

It is also important to recognize that to the extent Petitioner relies upon the asserted "monopoly" status of Respondent as a justification for copying Respondent's directory (Petitioner's Brief at 22-23), that justification must be based on federal *antitrust* law, and not grounded upon a distortion of federal *copyright* law. If the antitrust laws require that the names and addresses collected by a telephone service monopoly be licensed at reasonable rates, then that result should be based upon antitrust principles and not obtained through an interpretation of copyright law which would demolish decades of established principles relating to compilations of all types.

II. THE COPYRIGHTABILITY OF COMPILATIONS UNDER THE 1976 ACT DEPENDS UPON THE STANDARD OF ORIGINALITY ESTABLISHED BY THE 1909 ACT

The copyright clause of the Constitution, article I, section 8, clause 8, allows Congress to grant to "Authors" exclusive rights to their "Writings." Through the 1976 Act, Congress has elected to extend copyright protection to "original works of authorship fixed in any tangible medium of expression." 17 U.S.C. § 102(a). The 1976 Act does not define the phrase "original works of authorship," but the House Report did address the issue:

The phrase "original works of authorship," which is purposely left undefined, is intended to incorporate *without change* the standard of originality established by the courts under the present [i.e., the 1909] copyright statute.

H.R. Rep. No. 1476, 94th Cong., 2d Sess. 51 (1976) ("*House Report*") (emphasis added). Thus, the standard of "originality" as established by the courts under the 1909 Act must be ascertained to determine the meaning of the

phrase "original works of authorship" as used in the 1976 Act.

The "originality" standard established under the 1909 Act, and prior copyright acts, consists of two components. The first component arose from this Court's definition of an "Author" in *Burrow-Giles Lithographic Co. v. Sarony*, 111 U.S. 53, 4 S. Ct. 279 (1884). There, this Court determined that an "Author" under the copyright clause was "he to whom anything owes its origin; originator; maker." *Id.* at 57-58, 4 S. Ct. at 281. As a result, a work was "original" if it "owed its origin" to an author. There was no requirement imposed by this definition that a work possess any novelty, uniqueness or aesthetic merit in order to be original. *Burrow-Giles* required only that a work be independently created by an author. This was the universal construction of the term "original" under the 1909 Act.⁵ In enacting the current Copyright Act, Congress clearly understood and accepted that "[t]his standard [of originality under the 1909 Act] does not include requirements of novelty, ingenuity, or esthetic merit, and there is no intention to enlarge the standard of protection to require them." *House Report* at 51.

The second component of originality under the 1909 Act arose from this Court's determination that the word "Writings" in the copyright clause "include[s] any physical rendering of the fruits of creative intellectual or esthetic labor." *Goldstein v. California*, 412 U.S. 546, 561-62, 93 S. Ct. 2303, 2312 (1973) (citing *Burrow-Giles*, 111 U.S. at 58, 4 S. Ct. at 281; *Trade-Mark Cases*, 100 U.S. 82, 94 (1879)). Thus, it is clear that the 1909 Act also required a work to possess some amount of creative intellectual effort or labor in order to be an "original work of authorship."

However, in *Bleistein v. Donaldson Lithographing Co.*, 188 U.S. 239, 23 S. Ct. 298 (1903), this Court made it clear it is

⁵ See, e.g., *Lin-Brook Builders Hardware v. Gertler*, 352 F.2d 298, 301 (9th Cir. 1965); *Wihtol v. Wells*, 231 F.2d 550, 553 (7th Cir. 1956); *Alfred Bell & Co. v. Catalda Fine Arts, Inc.*, 191 F.2d 99, 102-03 (2d Cir. 1951). See also 1 P. Goldstein, *Copyright* § 2.2.1 (1989) ("*Goldstein*"); 1 M. Nimmer & D. Nimmer, *Nimmer on Copyright* § 2.01[A] (1990) ("*Nimmer*").

not the role of a judge to weigh the artistic quality or worth of a particular work when ascertaining the presence in that work of the requisite degree of "creative intellectual or aesthetic labor":

It would be a dangerous undertaking for persons trained only to the law to constitute themselves final judges of the worth of pictorial illustrations, outside of the narrowest and most obvious limits. At the one extreme, some works of genius would be sure to miss appreciation. Their very novelty would make them repulsive until the public had learned the new language in which their author spoke. . . . At the other end, copyright would be denied to pictures which appealed to a public less educated than the judge. Yet, if they command the interest of any public, they have a commercial value,—it would be bold to say that they have not an aesthetic and educational value,—and the taste of any public is not to be treated with contempt. It is an ultimate fact for the moment, whatever may be our hopes for a change. That these pictures had their worth and their success is sufficiently shown by the desire to reproduce them without regard to the plaintiffs' rights.

Id. at 251-52, 23 S. Ct. at 300.

In determining those "narrowest and most obvious limits" in which works are excluded from copyright for lack of intellectual effort, this Court instructed that:

[A] very modest grade of art has in it something irreducible, which is one man's alone. That something he may copyright unless there is a restriction in the words of the act.

Id. at 250, 23 S. Ct. at 300. As a result of this admonition, courts have required that only a very slight degree of intellectual labor or creativity be present for a work to be considered an original work of authorship and, hence, copyrightable. *See, e.g., Alfred Bell & Co.*, 191 F.2d at 102-03 ("[a]ll that is needed to satisfy both the Constitution and the statute is that the 'author' contributed something more

than a 'merely trivial' variation, something recognizably 'his own'"); *Universal Athletic Sales Co. v. Salkeld*, 511 F.2d 904, 908 (3d Cir.), *cert. denied*, 423 U.S. 863 (1975); *Drop Dead Co. v. S.C. Johnson & Son, Inc.*, 326 F.2d 87, 92 (9th Cir. 1963), *cert. denied*, 377 U.S. 907 (1964). *See also Goldstein*, § 2.2.1.2; *Nimmer*, § 2.01[B].

Section 5(a) of the 1909 Act specifically granted copyright protection to "composite and cyclopedic works, directories, gazetteers, and other compilations." Copyright Act of 1909, ch. 391, § 5(a), 61 Stat. 654 (*recodified* 1947). Section 103(a) of the 1976 Act likewise accords protection for compilations. In applying the 1909 Act (and prior acts), this Court and other courts encountered little difficulty in concluding that original compilations of pure factual material, including directories of names, addresses, businesses and trade suppliers, met both components of the originality standard. *See, e.g., Dun v. Lumbermen's Credit Ass'n*, 209 U.S. 20, 28 S. Ct. 335 (1908) (owner of copyrighted directory of North American merchants, manufacturers and traders permitted to recover whatever monetary damages they actually sustained from defendant's copying of directory); *Bleistein*, 188 U.S. at 250, 23 S. Ct. at 300 ("[t]he least pretentious picture has more originality in it than directories and the like, which may be copyrighted"). *See also Nimmer*, § 3.02 n.9 (collecting cases).

The 1909 Act's recognition of originality in factual works, including compilations, has been carried forward under the 1976 Act. As this Court recently observed, "[c]reation of a nonfiction work, even a compilation of pure fact, entails originality." *Harper & Row, Publishers, Inc., v. Nation Enterprises*, 471 U.S. 539, 547, 105 S. Ct. 2218, 2224 (1985).

III. CONGRESS DID NOT INTEND THE DEFINITION OF COMPILATION CONTAINED IN THE 1976 ACT TO ALTER THE PRINCIPLES ESTABLISHED UNDER THE 1909 ACT REGARDING EITHER THE COPYRIGHTABILITY OF OR SCOPE OF PROTECTION ACCORDED TO A COMPILATION

In enacting the 1976 Act, Congress did not intend to reject those decisions which had found original authorship in the collection and assemblage of facts created through the efforts of a compiler. The argument that the "industrious collection" doctrine was repudiated by Congress under the 1976 Act is based entirely upon a misreading of the definition of "compilation" found in Section 101 of the 1976 Act, 17 U.S.C. § 101.

A. Copyright Protection Under The 1909 Act Was Not Limited To The Selection, Coordination Or Arrangement Of Factual Data Contained In A Compilation

The 1909 Act contained no definition of the term "compilation," yet, as we have seen, that Act clearly conferred copyright protection upon factual compilations, including telephone directories. The definition of compilation contained in the 1976 Act provides as follows:

A "compilation" is a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship. The term "compilation" includes collective works.

17 U.S.C. § 101. Reasoning principally from this definition, Petitioner and *Amici* argue that authorship in a compilation may only be found in a compiler's original "selection, coordination or arrangement" of data, and that an alphabetical arrangement of names or a selection of *all* telephone company customers in a city is not an original

work of authorship.⁶ This interpretation of the Section 101 definition was not intended by Congress and is not warranted by the plain language of the definition.

In enacting the 1976 Act, Congress made clear when a compilation is copyrightable:

A compilation or derivative work is copyrightable if it represents an "original work of authorship" and falls within one or more of the categories listed in section 102.

House Report at 57. As earlier demonstrated, Congress did not intend to make *any* change to the meaning of "original work of authorship" from the 1909 Act:

The phrase "original works of authorship," which is purposely left undefined, is intended to incorporate *without change* the standard of originality established by the courts under the present copyright statute.

Id. at 51 (emphasis added). Thus, Congress clearly intended that a compilation would be copyrightable if it was an "original work of authorship," and expressly stated that it was not changing the standard of originality traditionally applied under the 1909 Act.

Under the 1909 Act, it was clear that a directory was copyrightable and protected against substantial copying if the directory was created by the original efforts of the compiler in collecting and assembling the individual facts. Every circuit which considered the issue agreed that a compilation which was the product of substantial effort on the part of a compiler in collecting and assembling the data was copyrightable and that substantial copying of the collection of data in such a compilation was an infringement. *Schroeder v. William Morrow & Co.*, 566 F.2d 3, 5-6 (7th Cir. 1977); *Leon v. Pacific Tel. & Tel. Co.*, 91 F.2d 484, 486 (9th

⁶While Petitioner and *Amici* pay lip service to the well-settled rule that white pages directories are protected by copyright, there would be nothing to protect under their interpretation of Sections 101 and 103 because in their view neither the alphabetical arrangement of a directory nor the comprehensive selection of the names contained within it would constitute protectible matter. See Petitioner's Brief at 18, 22; NADP Brief at 17 n.19.

Cir. 1937); *W.H. Anderson Co. v. Baldwin Law Publishing Co.*, 27 F.2d 82, 90-91 (6th Cir. 1928); *Jeweler's Circular Publishing Co. v. Keystone Publishing Co.*, 281 F. 83, 88-89 (2d Cir.), *cert. denied*, 259 U.S. 581 (1922).

In addition to according copyright protection based on the authorship inherent in collecting and assembling individual facts to create a compilation, circuits under the 1909 Act also recognized authorship in a compiler's particular selection or arrangement of data. *College Entrance Book Co. v. Amsco Book Co.*, 119 F.2d 874, 875-76 (2d Cir. 1941); *Hartfield v. Peterson*, 91 F.2d 998, 1000 (2d Cir. 1937); *Edwards & Deutsch Lithographing Co. v. Boorman*, 15 F.2d 35, 36 (7th Cir.), *cert. denied*, 273 U.S. 738 (1926). Thus, under the 1909 Act, a compilation of data was considered copyrightable if the intellectual labor or effort reflected in either the collection and assemblage of data or the selection or arrangement of data, or both, was sufficient to constitute an original work of authorship. This was the unquestioned state of the law at the time Congress enacted the 1976 Act. Congress, when it passed the 1976 Act, did not repudiate the theory of *any* of the judicial decisions according copyright protection to compilations of data, nor did it statutorily reverse or alter the scope of protection such decisions accorded the collection and assemblage of data contained in copyrighted compilations.⁷

⁷ Indeed, when Congress disagreed with a particular judicial decision interpreting the 1909 Act, it made its disapproval quite plain in the legislative history of the 1976 Act and clearly indicated that the 1976 Act was intended to alter the result of the decision. See *House Report* at 52 (disagreeing with *White-Smith Music Publishing Co. v. Apollo Co.*, 209 U.S. 1, 28 S. Ct. 319 (1908)); *House Report* at 64 (disagreeing with *Metro-Goldwyn-Meyer Distributing Corp. v. Wyatt*, 21 C.O. Bull. 203 (D. Md. 1932)); *House Report* at 157 (altering *Vacheron & Constantin-Le Coultre Watches, Inc. v. Benrus Watch Co.*, 260 F.2d 637 (2d Cir. 1958)); *House Report* at 86-87 (rejecting the basis of the Supreme Court's decision in *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 95 S. Ct. 2040 (1975), and codifying pre-Aiken interpretations of *Buck v. Jewell-La Salle Realty Co.*, 283 U.S. 191, 51 S. Ct. 410 (1931), as Section 110(5) of the 1976 Act). The legislative history relating to Sections 101 and 103 nowhere indicates that Congress disagreed with or sought to change any of the decisions under the 1909 Act relating to the protection accorded factual compilations.

B. The Definition Of Compilation In The 1976 Act Was Not Intended To Change The Copyright Principles Established For Compilations Under The 1909 Act

Although Congress included the "selected, coordinated, or arranged" language in the definition of compilation contained in the 1976 Act, that decision was not made, as Petitioner and *Amici* suggest, because Congress intended that such selection, coordination or arrangement would be the only protectible elements of a compilation. Instead, the reference to "selected, coordinated, or arranged" was included simply to make it clear that *all types* of works made up of collected and assembled preexisting data were to be classified as compilations if they met the established standard of originality. This interpretation is consistent with the language of the *House Report* which states:

Between them the terms "compilations" and "derivative works" which are defined in section 101, comprehend every copyrightable work that employs preexisting material or data of any kind.

House Report at 57. Thus, Congress was not seeking to add new elements of originality which applied only to compilations. It was simply stating that *all types* of collections of preexisting material (however organized) fall within the definition of "compilation" if the work as a whole constitutes "an original work of authorship."

Under this interpretation, it is clear that the process and effort necessarily involved in collecting and assembling factual material constitute the "selection, coordination or arrangement" referenced in the definition.⁸ Whether such a work is a copyrightable "compilation" depends upon, as the definition clearly states, whether "the resulting work as a whole constitutes an original work of authorship." 17

⁸ Professor Beryl R. Jones persuasively suggests that the word "coordination" in the definition easily encompasses the act of "taking facts which exist in a multitude of places and in a variety of forms and putting them in a single location." Jones, *Factual Compilations and the Second Circuit*, 52 Brooklyn L. Rev. 679, 701 (1986).

U.S.C. § 101 (emphasis added). Congress' explanation in the *House Report* that "[a] compilation results from a process of selecting, bringing together, organizing, and arranging previously existing material of all kinds, regardless of whether the individual items in the material have been or ever could have been subject to copyright" is in accord with this interpretation. *House Report* at 57.

If a compilation meets the "original work of authorship" test, then *all* elements reflecting such original authorship of the compiler, including the collection and assemblage of data created by the author and the presentation and arrangement of such data, are protected under familiar copyright principles. The collection and assemblage of data as a whole is the *expression* of the author of a factual compilation—it is that aspect of the work which "display[s] the stamp of the author's originality." *Harper & Row, Publishers, Inc. v. Nation Enterprises*, 471 U.S. 539, 547, 105 S. Ct. 2218, 2224 (1985). Of all of the immense mass of factual data available in the world, a compiler determines a topic for which he or she believes it will be valuable (and profitable) to collect and assemble data. The compiler may decide to create a comprehensive collection of available data on a particular topic, or may conclude that only some types of data pertaining to a topic should be included in the compilation. The important point is that the resulting collection and assemblage is the original expression of the compiler's authorship as long as the collection as a whole was independently created and not copied from a prior compilation.

The fact that the collection and assemblage of data as a whole is protected expression does not mean that the preexisting data contained in the compilation are protected. As provided in Section 103(b) of the 1976 Act, "[t]he copyright in a compilation . . . does not imply any exclusive right in the preexisting material." 17 U.S.C. § 103(b). The preexisting data continue to be as freely available from the same source for use by subsequent compilers as they were for use by the initial compiler. It is the collection and assemblage, or compilation, of the data *as a whole* that is

protected, not the underlying data. Such protection does not stifle creativity in the preparation of subsequent compilations, or unduly restrict subsequent compilers, because "only copying sufficient to produce a substantially similar collection would generate potential liability." Denicola, *Copyright in Collections of Facts: A Theory for the Protection of Nonfiction Literary Works*, 81 Colum. L. Rev. 516, 531 (1981) ("Denicola"). In addition, the fair use doctrine is available to help determine the permissibility of particular uses of the collection and assemblage of data contained in a compilation. 17 U.S.C. § 107.

The construction of the statutory definition of a "compilation" urged by Petitioner and *Amici* would accord no protection to a compilation other than to the compiler's original selection, coordination or arrangement of the data contained in the compilation. See, e.g., Petitioner's Brief at 13, 18; Brief of *Amicus Curiae* Direct Marketing Association at 8-9. Thus, under Petitioner's and *Amici's* view, if a compiler collects, assembles and alphabetically arranges the names of *all* of the military battles that occurred in recorded time, that compilation may be freely copied, even by a direct competitor, because no selection was exercised (the list is comprehensive) and an alphabetical arrangement obviously is not original. On the other hand, if the compiler publishes an alphabetical list of those battles he or she deems "most decisive" in world history, then Petitioner and *Amici* apparently would accord protection to that list because the author exercised "selection" (i.e., exclusion) in compiling the information. This interpretation would lead to the perverse result that the more comprehensive the collection of data in a work, and the more accessible and familiar the presentation of such data, the less likely the work would be considered a protectible compilation. This would be a nonsensical result, and certainly is not the result intended by Congress when it enacted the definition of

"compilation" contained in the 1976 Act.⁹

Congress did not intend that the language it chose relating to preexisting data being "selected, coordinated, or arranged" would operate to *exclude* particular collections and assemblages of preexisting material from the definition of "compilation," and hence from the protection of copyright. Instead, it relied upon the language in the definition that "the resulting work as a whole constitutes an original work of authorship," together with the established originality standard of the 1909 Act, to perform that exclusionary function. Congress intended the "selected, coordinated, or arranged" language to perform an *inclusionary* role, and the legislative history demonstrates this intent.

IV. PETITIONER'S USE OF RESPONDENT'S TELEPHONE DIRECTORY IN THIS CASE IS NOT PERMITTED BY SECTION 103 OF THE 1976 ACT

Contrary to Petitioner's and *Amici's* assertions, Section 103 of the 1976 Act does not sanction substantial copying of the factual material contained in a copyrighted compilation. Section 103(b) provides in part that:

The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any

⁹As a further example, consider the plight of computer databases under the interpretation urged by Petitioner and *Amici*. Most databases are considered to have greater utility and value the greater their comprehensiveness (i.e., *all* information and material relevant to the topic of the database are sought out by the compiler). Similarly, the arrangement of data in a database is often a function of the technicalities of electronic memory. Thus, unless the information may be retrieved only in a way which represents a particular arrangement of the data intended by the compiler, it is often meaningless to speak of a particular "arrangement" of the data in the database. See *Denicola* at 531. Without any demonstrable arrangement on the part of database compilers, such databases could be freely copied by anyone under Petitioner's and *Amici's* interpretation of the statutory definition.

exclusive right in the preexisting material.

17 U.S.C. § 103(b). From this language, Petitioner and *Amici* argue that the names, addresses and telephone numbers contained in a white pages directory are "preexisting materials," that the compiler of such a directory has performed no selection or arrangement of data which would result in authorship, and that, as a result, substantial if not wholesale copying of such names, addresses and telephone numbers is permissible. See, e.g., Petitioner's Brief at 21-22; NADP Brief at 11-12.

This analysis assumes that there is no "material contributed by the author" of a white pages directory because such a directory contains factual, public domain material arranged alphabetically. However, this analysis ignores the fact that the "material" contributed by the author of such a directory includes the collection and assemblage (or coordination) of data *as a whole*. Just as an original selection or arrangement of public domain data may be "material contributed by the author" of a compilation (as Petitioner and *Amici* acknowledge), so too can the original collection and assembly of such data as a whole constitute "material contributed by the author," and both are protected by copyright. See discussion in Section III, *supra*.

While it was clear under the 1909 Act that copyright protection was accorded to the collection and assemblage of factual data as a whole, and that substantial copying of the resulting compilation of data was not permitted, it also was clear that the compiler had no exclusive right in the

preexisting factual material.¹⁰ This principle was the basis of another venerable doctrine of copyright law which Petitioner and *Amici* seek to overturn, the verification rule.

The verification rule was firmly established under the 1909 Act. Essentially, the rule holds that if a compiler first independently collects and assembles factual material to be contained in a new compilation, he or she then may compare and check the new compilation with an existing copyrighted compilation and publish the result after verifying any additional items derived from the existing compilation. However, the verification rule does not permit a compiler to substantially copy an existing work for use in a subsequent compilation, even if the compiler later verifies the material copied by checking the original sources. *Illinois Bell Tel. Co. v. Haines & Co.*, 905 F.2d 1081, 1086 (7th Cir. 1990); *G.R. Leonard & Co. v. Stack*, 386 F.2d 38, 39 (7th Cir. 1967); *W.H. Anderson Co. v. Baldwin Law Publishing Co.*, 27 F.2d 82, 89 (6th Cir. 1928); *Jeweler's Circular Publishing Co. v. Keystone Publishing Co.*, 281 F. 83, 91-92 (2d Cir.), *cert. denied*, 259 U.S. 581 (1922); *Sampson &*

¹⁰Section 7 of the 1909 Act provided in relevant part that:

Compilations or abridgments, adaptations, arrangements dramatizations, translations, or other versions of works in the public domain . . . or works republished with new matter, shall be regarded as new works subject to copyright under the provisions of this title; but the publication of any such new works shall not affect the force or validity of any subsisting copyright upon the matter employed or any part thereof, or be construed to imply an exclusive right to such use of the original works, or to secure or extend copyright in such original works.

Copyright Act of 1909, ch. 391, § 7, 61 Stat. 655 (recodified 1947).

Murdock Co. v. Seaver-Radford Co., 140 F. 539, 544-45 (1st Cir. 1905).¹¹

In addition to defining the scope of protection accorded to factual information contained in compilations, the verification rule was also an early application of the doctrine of fair use. Courts adopting the rule essentially used it to delineate the boundaries of permissible use of existing compilations by subsequent compilers of competing works. See e.g., *G.R. Leonard & Co.*, 386 F.2d at 39 ("[i]t is recognized that a compiler of a directory or the like may make a fair use of an existing compilation serving the same purpose if he first makes an honest, independent canvass"); *W.H. Anderson Co.*, 27 F.2d at 89 ("there is the public interest in having subsequent workers in a field allowed to make use of the accumulated knowledge of the past, especially knowledge of the sources"); *Jeweler's Circular*, 281 F. at 91.

While *Amici* scorn the verification rule, see NADP Brief at 23-24, it has been, as an application of the fair use doctrine, a settled principle of copyright law for nearly 100 years. In enacting the 1976 Act, the doctrine of fair use as developed by courts under the 1909 Act was yet another area of copyright law which Congress expressly intended to remain unchanged:

The bill endorses the purpose and general scope of the judicial doctrine of fair use, but there is no disposition to freeze the doctrine in the statute,

¹¹Petitioner repeatedly asserts that copying Respondent's compilation was its "only . . . feasible alternative" because of the "practical unavailability" of the data contained therein. See Petitioner's Brief at 9, 23. It is, of course, always the case that copying the expression in a copyrighted work is easier and cheaper than creating one's own expression. However, to the extent that there exists special difficulty in collecting the factual data involved in this case, it must be remembered that the factual material found in many other types of compilations is readily available from other sources. For example, government data and various forms of financial data which are frequently compiled are readily available to subsequent compilers from the original sources. See also discussion regarding antitrust law mandates in Section I, *supra*.

especially during a period of rapid technological change. . . . *Section 107 is intended to restate the present judicial doctrine of fair use, not to change, narrow, or enlarge it in any way.*

House Report at 66 (emphasis added). Thus, Congress neither repudiated the verification rule as an application of the fair use doctrine when it enacted the 1976 Act, nor indicated that Section 103(b) was meant to effectuate a sweeping change from the 1909 Act in the scope of protection accorded to compilations of factual material.¹²

CONCLUSION

Petitioner and *Amici* seek to have this Court lay aside longstanding judicial authority relating to the copyright protection accorded factual compilations. Their basis for this request is a misreading of both the language and legislative history of Sections 101 and 103. Congress did not intend to work such a radical or wholesale change in established copyright law relating to compilations when it enacted the 1976 Act. The decision of the Tenth Circuit should be affirmed because it was based on a proper reading of the relevant provisions of the 1976 Act and is uniformly supported by prior precedent.

¹²The *House Report* does state that Section 103(b) is "intended to define, more sharply and clearly than does section 7 of the present law, the important interrelationship and correlation between protection of preexisting and of 'new' material in a particular work." *House Report* at 57. It is plain that Petitioner's and *Amici's* suggested interpretation of Section 103(b) in this case—that it permits wholesale copying of the body of factual material contained in a white pages directory because it is unprotectible "preexisting material"—would do more than "define more sharply and clearly" the relationship between protection of preexisting and new material. Such an interpretation would overturn decades of judicial decisions relating to the scope of protection granted compilations and the permissible uses of data contained in such compilations. Congress did not intend Section 103(b) to produce such a result.

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IN THE
Supreme Court of the United States
OCTOBER TERM, 1990

FEIST PUBLICATIONS, INC.,

Petitioner,

—v.—

RURAL TELEPHONE SERVICE COMPANY, INC.,

Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES
COURT OF APPEALS FOR THE TENTH CIRCUIT

**BRIEF AMICUS CURIAE OF THE
ASSOCIATION OF AMERICAN PUBLISHERS, INC.
IN SUPPORT OF RESPONDENT**

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—v.—

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**BRIEF *AMICUS CURIAE* OF THE
ASSOCIATION OF AMERICAN PUBLISHERS, INC.
IN SUPPORT OF RESPONDENT**

PRELIMINARY STATEMENT

The Association of American Publishers, Inc. ("AAP") respectfully submits this brief, *amicus curiae*, pursuant to Rule 37 of the Rules of the Supreme Court of the United States, in support of respondent. This brief is submitted upon the written consent of petitioner and respondent, filed herewith.

Given the petitioner's direct and wholesale copying of the respondent's "white pages" directory for purely competitive commercial purposes, AAP believes that this case was correctly decided by the courts below and should be affirmed. AAP also believes it to be unwarranted, unnecessary and

unwise to announce in this case broad rules which could have an unintended and unwarranted impact on the issue of the protection to be accorded to compilations other than the type here involved.

INTEREST OF THE *AMICUS CURIAE*

AAP is the major trade association of book publishers in the United States. AAP's more than 200 members include most of the leading commercial book publishers in the United States, as well as many smaller and non-profit publishers, university presses and scholarly associations. AAP's members collectively publish a preponderance of all general and educational books published in the United States.

Among the wide range of works published by AAP's members are works that fall within the broad definition of "compilation" as found in the Copyright Act of 1976, 17 U.S.C. § 101 (1988) ("the Copyright Act"). The social utility of such compilations is inestimable given the vast array of readers and disciplines whose requirements they serve, spanning, among others, the educational, political, historical, literary, legal, scientific, commercial and financial sectors.

The compilations published by AAP's members draw upon and synthesize pre-existing non-copyrightable facts and data, sometimes collecting such facts and data from materials which constitute copyrightable subject matter. In other cases, the facts and data are developed by substantial original research, such as in a transportation database where all of the mileage distances are actually measured. The publishers of such compilations, often with great effort and energy, extract such information from diverse sources and arrange and present it for public consumption. The substantial creativity often exercised in locating that information and determining the content of a compilation and how to cull that information from available sources together with the unflagging public demand for compilations presenting facts and data in readily usable form have endowed the compilations

published by AAP's members with significant social utility and tremendous economic value. In order to maintain publishers' incentives to expend substantial resources in the development, collection and assemblage of facts and data, strong copyright protection is necessary and appropriate.

STATEMENT OF THE CASE

This case is another in a long line of cases grappling with the issue of the proper scope of copyright protection to be accorded "white pages" directories. The present controversy pits a provider of telephone service, Rural Telephone Service Company, Inc. ("Rural"), which compiles, prepares, publishes and distributes annual telephone directories covering its telephone service area, against a competing publisher, Feist Publications, Inc. ("Feist"), which published and distributed a telephone directory covering some of the same geographical areas covered by Rural's annual directory. The record facts indicate that, following an unsuccessful effort to procure a license from Rural, Feist utilized on a wholesale basis entries in Rural's directory in compiling its own. While Feist undertook to verify and otherwise update listings as they appeared in Rural's directory, there is no dispute that it appropriated entries in Rural's directory in the first instance. *Rural Telephone Service Co., Inc. v. Feist Publications, Inc.*, 663 F. Supp. 214, 216-17 (D. Kan. 1987), *aff'd*, 916 F.2d 718, 40 Pat. Trademark & Copyright J. (BNA) 504 (10th Cir. 1990), *cert. granted*, 111 S. Ct. 40 (1990).

Both the district court and the court of appeals rejected Feist's claim that its verification activities and reorganization of the information it had obtained from Rural's directory immunized it from a finding of infringement. Citing the "substantial precedent which holds a ['white pages'] telephone directory is a compilation copyrightable under the United States Copyright laws," the courts below found Feist to have infringed Rural's copyright in its compilation. *Rural Telephone Service Co., Inc. v. Feist Publications, Inc.*, 916

F.2d 718, 40 Pat. Trademark & Copyright J. (BNA) 504 (10th Cir. 1990).

SUMMARY OF ARGUMENT

This case involves the wholesale copying of "white pages" listings by a direct competitor, for purely commercial purposes. If copyright protection for compilations means anything, it must mean that wholesale copying under these circumstances is an infringement. Thus, AAP urges affirmance.

The resolution of the issue of the scope of protection for compilations has to date occurred on a case-by-case basis—by publishers' editorial and legal judgments, and, where disputes have arisen, by the courts. These dispositions, not unlike that of the courts below, reflect the fact-specific nature of the controversies, and suggest the advisability of allowing the law to develop on a case-by-case basis so as to continue to strike the appropriate balance between according necessary copyright protection to compilations and affording the public access to non-copyrightable information embodied in such compilations. There is no need for a broadly framed ruling from this Court in this case which is not the appropriate vehicle for the formulation of broad standards which govern the extent of protection which should be accorded to compilations. Accordingly, AAP respectfully submits that a summary affirmance of the decision below is appropriate.

ARGUMENT

I.

GIVEN THE FACTS ON WHICH THE COURTS BELOW REACHED THEIR RESULT, THE COURT OF APPEALS' DECISION SHOULD BE SUMMARILY AFFIRMED

That the "white pages" telephone directories published by Rural are copyrightable in the first instance is not in issue. Rather, the Court is here confronted with determining the scope of copyright protection to be accorded compilations in the context of the wholesale copying for competitive commercial purposes of "white pages" telephone directories. For copyright protection to mean anything as far as such compilations are concerned, it must surely mean that the type of copying involved here constitutes a clear instance of infringement. Therefore, the decision below should be summarily affirmed.¹

Further, as a practical matter, tolerating wholesale copying by a competitor for purely commercial purposes would undoubtedly reduce incentives to create socially useful compilations. Substantial creativity and resources are frequently invested in the collection, assemblage and development of the information contained in compilations.

In general, commercial compilers must first decide what kind of information would be useful and to whom the compilation could be sold. Compilers must preliminarily conduct exhaustive research as to existing reliable sources for the desired facts or data. Having chosen the most useful and trustworthy sources, compilers must select, verify and, when necessary, update the information to be assembled in their compilations. Considering the often wide range of available sources from which to glean data or facts, the selection phase

¹ Such affirmance would not preclude future use of individual facts even if they were contained in another compilation. Petitioner here did not take individual facts but, rather, entire portions of a compilation of those facts.

is frequently a monumental undertaking in and of itself. Compilers must next set about to assemble the selected facts or data in a coherent form that is readily comprehensible and usable by the particular segments of society to which such compilations are targeted. This stage of the development of the compilation is shaped by sophisticated and complex business and marketing decisions concerning both the range and needs of the potential users of the relevant compilations. Finally, compilers must continually make trade-offs between comprehensiveness, cost and ease of use.

Given the substantiality of the resources expended by compilers, and the extreme usefulness of their product in a highly information-oriented and increasingly diversified society, compilations are of tremendous economic value to authors, publishers and users. Where, as here, extensive copying for commercially competitive purposes has admittedly taken place, the Court's failure to summarily affirm a finding of infringement would effectively sanction bodily appropriation by second compilers such as Feist of previously existing compilations and reduce publishers' and other compilers' incentives to engage in costly and time-consuming compilation efforts, thereby ultimately impinging upon the creation of many important works.

II.

THE COURT SHOULD LIMIT ITS RULING TO THE FACTS OF THIS CASE AND AVOID A BROAD RULING ON THE PROTECTABILITY OF ALL COMPILATIONS

"White pages" telephone directories constitute but one type of directory protected by the Copyright Act under the much broader rubric of "compilations." As defined in the Copyright Act, a "compilation" is a "work formed by the collection and assembling of pre-existing materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship." 17 U.S.C. § 101.

Beyond the realm of "white pages" directories lies a universe of compilations, many of which are published by AAP's members. While some of AAP's members publish specialized directories akin to "white pages", others publish bibliographies, chronologies, anthologies, abstracts, encyclopedias, dictionaries, guides to stocks and bonds, compilations of corporate information, biographical directories, test questions, court decisions, atlases and numerous other types of compilations serving a variety of sectors as vast and diverse as the range of published compilations.²

Given the vast array of compilations and instances of use of such compilations having little relationship to the facts at hand, this case is not an appropriate vehicle for painting with a broad copyright brush. Indeed, a number of courts have recognized that the copyright considerations raised by "white pages" directories may be unique and that the outcomes in such cases, and the rationales therefor, do not necessarily lend themselves to rules of general applicability. Illustratively, in *Miller v. Universal City Studios, Inc.*, 650 F.2d 1365 (5th Cir. 1981), the Fifth Circuit reasoned that "it may be better to recognize the directory cases as being in a category by themselves rather than to attempt to bring their result and rationale to bear on non-directory cases." *Id.* at 1370. See also *Jeweler's Circular Publishing Co. v. Keystone Publishing Co.*, 281 F. 83, 91 (C.C.A. N.Y.), *cert. denied*, 259 U.S. 581 (1922) (recognizing that directories represent a "totally different kind of publication" than an annotated compilation of one of Shakespeare's plays).³

² The wide variety of compilations is described in the *amicus* brief submitted by the Information Industry Association and ADAPSO, at pages 7 through 9.

³ The regulatory environment governing the publication of "white pages" telephone directories and the antitrust concerns raised by such directories also set them apart from other types of compilations. As regulated monopolies, providers of local exchange telephone service collect the information contained in their "white pages" directories in the course of discharging their obligations to provide telephone service arising out of government-sanctioned awards of franchises. In some

Nor is there a need for a ruling in this case on the alternative approaches to defining the scope of the protection conferred upon "white pages" directories and compilations generally. In light of the massive and direct appropriation by Feist of the information contained in Rural's "white pages" directory for competitive commercial purposes, the result here, on whatever rationale, be it the "industrious collection" theory⁴ or the "selection, coordination or arrangement" theory³ can be viewed as unexceptional and worthy of affirmance.

ances, telephone companies' monopoly franchises are conditioned on their publication of "white pages" directories. See, e.g., *Illinois Bell Telephone Co. v. Haines and Co., Inc.*, 905 F.2d 1081, 1084 (7th Cir. 1990); *Hutchinson Telephone Co. v. Frontier Directory Co. of Minnesota, Inc.*, 770 F.2d 128, 129 (8th Cir. 1985). The terms of telephone franchises have traditionally provided for the listing of all telephone subscribers in the "white pages" directory without an additional charge, and generally authorize providers of service to charge subscribers in return for their omission from "white pages" directories as a "non-published number."

Given the monopolistic nature of telephone companies' government-awarded franchises, it is not surprising that "white pages" directories cases frequently involve antitrust issues. See, e.g., *Illinois Bell Telephone Co. v. Haines and Co., Inc.*, 905 F.2d at 1086-88; *BellSouth Advertising & Publishing Corporation v. Donnelley Information Publishing, Inc.*, 719 F. Supp. 1551, 1562-63, 1565-69 (S.D. Fla. 1988). Indeed, such issues, while not before this Court, were addressed by the district court below. *Rural Telephone Service Co. v. Feist Publications, Inc.*, 737 F. Supp. 610 (D. Kan. 1990).

AAP believes that the regulatory and antitrust overtones of "white pages" telephone directories compel a careful application of copyright principles by this Court in recognition of the unusual nature of this variety of compilation.

⁴ See, e.g., *Hutchinson Telephone Co. v. Frontier Directory Co. of Minnesota, Inc.*, 770 F.2d 128, 131 (8th Cir. 1985); *Schroeder v. William Morrow & Co.*, 566 F.2d 3, 5 (7th Cir. 1977); *Leon v. Pacific Telephone & Telegraph Co.*, 91 F.2d 484, 486 (9th Cir. 1937); *Jeweler's Circular Publishing Co. v. Keystone Publishing Co.*, 281 F. at 88.

³ See, e.g., *Worth v. Selchow & Righter Co.*, 827 F.2d 569, 573-74 (9th Cir. 1987), cert. denied, 485 U.S. 977 (1988).

CONCLUSION

For the foregoing reasons, *amicus* urges summary affirmance of the ruling below.

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IN THE
Supreme Court of the United States
OCTOBER TERM, 1990

FEIST PUBLICATIONS, INC.,

Petitioner,

v.

RURAL TELEPHONE SERVICE COMPANY, INC.,

Respondent.

ON WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS
FOR THE TENTH CIRCUIT

**BRIEF OF GTE CORPORATION
AS AMICUS CURIAE IN SUPPORT
OF RESPONDENT RURAL TELEPHONE
SERVICE COMPANY, INC.**

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QUESTION PRESENTED

Does the copyright in a telephone directory by the telephone company prevent access to that directory as a source of names and numbers to compile a competing directory, or does copyright protection extend only to the selection, coordination, or arrangement of those names and numbers?

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**BRIEF OF GTE CORPORATION AS
AMICUS CURIAE IN SUPPORT OF
RESPONDENT RURAL TELEPHONE
SERVICE COMPANY, INC.**

PRELIMINARY STATEMENT

GTE Corporation submits this brief as *amicus curiae*, under Rule 37.3 of the Rules of this Court, in support of respondent Rural Telephone Service Company, Inc.¹

INTEREST OF THE AMICUS

GTE Corporation is the parent of numerous business units engaged in the core areas of telecommunications, lighting, and precision materials. This litigation is of primary interest to GTE Telephone Operations, GTE Directories Corporation, and GTE Information Services.

The GTE Telephone Operating Companies comprise seven local exchange telephone companies operating in 31 states. As local exchange telephone companies, the GTE Telephone Operating Companies distribute directories in each of their exchanges. Generally, these directories include both white pages and yellow pages. The copyrights in the directories are owned by the respective GTE Telephone Operating Companies. The GTE Telephone Operating Companies also license the directory listings from the white pages to other directory publishers. In the event the Court holds telephone directories not to be copyrightable, or otherwise renders a

¹ This brief is submitted with the consent of the parties. The written consents of petitioner and respondent have been entered with the Clerk of the Court.

decision that would permit independent directory publishers to copy the directory lists at will, the ability of the GTE Telephone Operating Companies to realize revenue in exchange for the right to use their lists will be severely curtailed.

The interest of GTE Directories Corporation ("GTE/DC") in the outcome of this litigation is threefold. As the directory publisher for all GTE Telephone Operating Companies, as well as for more than one hundred non-affiliated telephone companies, GTE/DC desires to see proper copyright protection for the directories produced and processed through and by GTE/DC. The ability to license listings not only is a source of revenue for the telephone companies, but also, when bound together with the classified yellow pages, provides for a complete, up-to-date directory for the end user.

Secondly, as a publisher of directories for both telephone operating companies and independent distributors, GTE/DC is concerned with any decision that affects the scope of protection to be afforded for compilations, since a sweeping decision could affect the copyright protection afforded the classified sections of a directory. Protection of the content and form of both white pages and classified sections is essential to maintaining the commercial value of those directories.

Lastly, GTE/DC has been involved in the development of valuable data bases arising from its involvement in both telemarketing of consumer goods, and from its publication and distribution of tourism information on behalf of a half dozen states. Many of these ventures are now part of GTE Information Services ("GTE/IS"). Because GTE/IS is engaged in numerous ventures which depend heavily on protection of its intellectual property rights, including rights in emerging data bases, GTE/IS has intense concerns about the manner in which the outcome of this litigation will affect the protection of those rights.

Accordingly, GTE Corporation believes that, as a result of its significant participation in the telephone, directory publishing and information services industries, it is able to bring a unique perspective to bear on this litigation.

SUMMARY OF THE ARGUMENT

Because petitioner's directory is substantially similar to the copyrightable expression protected by respondent's copyright, the Court should AFFIRM the decision of the Court of Appeals below.

Under the Copyright Act of 1976, copyright protection subsists in all "original works of authorship fixed in a tangible medium of expression." 17 U.S.C.A. § 102(a). In the copyright context, the term "original" is taken to require only that the work in question was independently created by, and owes its origin to, the author.

Applying the statutory standard, the Courts of Appeals have been uniform in holding that telephone directory listings are copyrightable, both as "original works of authorship" under 17 U.S.C.A. § 102(a) and as "compilations" under 17 U.S.C.A. § 103. Furthermore, the history of the Copyright Act demonstrates that Congress intended directories to be copyrightable. The purposes articulated in the Copyright Clause do not limit Congress's power to so legislate. Accordingly, proper application of copyright law leaves no doubt regarding the copyrightability of telephone directory listings or other compilations of fact or data.

The perceived reliance, attributed by petitioner and others to the Seventh, Eighth, and Tenth Circuits, on a "sweat of the brow" doctrine as the supporting rationale for the copyrightability of compilations of data is misplaced. Reliance on "sweat of the brow" notions appears to be the result of a misapprehension of copyright law that would impose

qualitative concepts, such as ingenuity, creativity, or aestheticism, as prerequisites to copyrightability.

In deciding a claim of copyright infringement, well settled application of copyright law requires only that the copyright owner establish that the accused infringer had access to the copyrighted work and that the allegedly infringing work is substantially similar to the protectible expression of the copyrighted work. Petitioner here admits access to and copying of respondent's copyrighted directory. Therefore, infringement is established when respondent demonstrates that the accused telephone directory is substantially similar to the protectible expression of the copyrighted directory.

When *Harper & Row, Publishers, Inc. v. Nation Enterprises*, 471 U.S. 539 (1985), was decided, the Court indicated that it need not, at that time, decide the manner in which uncopyrightable elements — facts — combine with an author's original expression to form copyrightable works. That issue is squarely confronted here. In Section III, *infra*, the proper scope of copyright protection in directories or other compilations of fact or data is shown to include and protect the expression that results from, *inter alia*, the author's *collection* of data. With a recognition of the proper scope of copyright protection, it is possible to undertake a rational and consistent approach to the infringement of compilations.

Petitioner and others would seek to legitimize activity that, under proper application of settled copyright law, constitutes infringement of the copyright in respondent's telephone directory. Specifically, petitioner urges a construction of copyright law that would allow it to use a copyrighted directory as the source from which it would publish its own directory. A proffered justification for such legitimization is the alleged "independent verification" undertaken in the compilation of the infringing directory.

Although language can be found in some judicial decisions that might appear sympathetic to the notion, no court has yet held that any amount of "independent verification" operates to mitigate activity that otherwise constitutes infringement of a copyrighted telephone directory. Furthermore, no court has suggested that independent verification, or similar activity, should have an exculpatory effect on the infringement of copyrighted works other than telephone directories. Accordingly, petitioner would create a defense to the infringement of telephone directories that has no analog elsewhere in copyright law.

Finally, petitioner's suggestion that maintaining the copyrightability of telephone directory listings "freeze[s] access to public domain materials" is disingenuous. The scope of copyright protection afforded telephone directory listings is measured as it is with respect to all other copyrighted works, and operates to preclude others only from copying more than an insubstantial portion of the copyrighted work. Petitioner remains free to independently create a directory, even a directory identical to the copyrighted directory, provided his creation does not involve copying from the copyrighted directory.

ARGUMENT

I. AN EXTENDED HISTORY OF DECISIONAL AND STATUTORY LAW LEAVES NO DOUBT THAT TELEPHONE DIRECTORIES, AND OTHER COMPILATIONS OF DATA, ARE COPYRIGHTABLE.

Under the Copyright Act of 1976, 17 U.S.C.A. §§ 101-914 (1990) ("the Copyright Act"), copyright protection subsists in all "original works of authorship fixed in a tangible medium of expression." 17 U.S.C.A. § 102(a). In the copyright context, the term "original" is taken to require only that

the work in question was independently created by, and owes its origin to, the author.

Applying the statutory standard, the Courts of Appeals have been uniform in holding that telephone directory listings are copyrightable, both as "original works of authorship" under 17 U.S.C.A. § 102(a) and as "compilations" under 17 U.S.C.A. § 103. Furthermore, the history of the Copyright Act demonstrates that Congress intended directories to be copyrightable. The purposes articulated in the Copyright Clause, U.S. Const. art. I, § 8, cl. 8, do not limit Congress's power to so legislate. Accordingly, proper application of copyright law leaves no doubt regarding the copyrightability of telephone directory listings, or other compilations of fact or data.

For a more thorough treatment of the copyrightability of telephone directories, the Court's attention is directed to the brief of respondent, Rural Telephone Service Company, Inc.

II. PETITIONER'S PERCEPTION OF DISPARITY INVOLVING THE "SWEAT OF THE BROW" AND THE "SUBJECTIVE SELECTION" TESTS IS MISPLACED.

The Court has acknowledged that copyright law is unsettled regarding the manner in which uncopyrightable elements combine with an author's original contributions to form protected expression. *Harper & Row, Publishers, Inc. v. Nation Enterprises*, 471 U.S. 539, 548 (1985). And while there is no

doubt that facts, *per se*, are not subject to copyright protection, see *Miller v. Universal City Studios, Inc.*,² 650 F.2d 1365, 1368-69 (5th Cir. July 1981), and cases cited therein, there exists no uniform articulation of the standard to be applied when determining whether a compilation of factual data, e.g., a telephone directory, exhibits sufficient "originality" to qualify for copyright protection.

The want of a uniformly articulated standard has engendered some degree of inconsistent treatment by courts that have been required to determine the copyrightability, *vel non*, of compilations of data.³ However, while the courts may appear to endorse various theories of copyrightability, even when considering similar works, they uniformly have enforced copyright protection in such works.

² Manifestly, policy considerations that circumscribe the scope of copyright protection in a factual *narrative*, such as was involved in *Miller*, are largely inapposite when applied to the purely commercial activity of publishing telephone directories or most other compilations of data. That is, copyright cases involving factual narratives or historical works reflect the view that the cause of knowledge is best served when historical or scientific information is made the common property of all, so that each generation would remain free to draw on the discoveries and insights of the past. Cf. *Hoehling v. Universal City Studios, Inc.*, 618 F.2d 972 (2d Cir.), *cert. denied*, 449 U.S. 841 (1980). Such noble considerations are not generally at work when telephone directories or other compilations of data are misappropriated. Petitioner does seek to build on the store of knowledge, but only to expeditiously gain commercial advantage from a copyrighted work owned by respondent.

³ See *Eckes v. Card Prices Update*, 736 F.2d 859, 862 (2d Cir. 1984) ("Copyright law and compilations are uneasy bedfellows . . ."); *Rand McNally & Co. v. Fleet Management Sys.*, 634 F. Supp. 604, 608 (N.D. Ill. 1986) ("The copyrightability of factual compilations . . . presents intellectual difficulties in determining where protectible copying of facts ends and unlawful copying of the compilation begins."); *Moore v. Lighthouse Publishing Co.*, 429 F. Supp. 1304, 1309 (S.D. Ga. 1977) ("One emerges from this jungle of generality, contradiction and uncertainty with the impression that the only thing certain in this area of law is the lack of it.").

Petitioner perceives opportunity in this lack of uniformity and suggests to the Court that the Courts of Appeals are split on the copyrightability of directories or that they are erroneously enforcing copyright protection in such directories. Pet. Br. at 5 and 15-18.

Specifically, petitioner contends that the Fifth Circuit in *Rockford Map Publishers, Inc. v. Directory Serv. Co.*, 768 F.2d 145 (5th Cir. 1985), cert. denied, 474 U.S. 1061 (1986), the Eighth Circuit in *Hutchinson Tel. Co. v. Fronteer Directory Co.*, 770 F.2d 128 (8th Cir. 1985) and in *United Tel. Co. of Mo. v. Johnson Publishing Co., Inc.*, 855 F.2d 604 (8th Cir. 1988), and the Tenth Circuit below have adopted a "sweat of the brow" theory in support of copyrightability for telephone directories. Petitioner proposes that the Second, Fifth, Ninth and Eleventh Circuits have rejected the "sweat of the brow" theory and cites cases it believes support that proposition.⁴ The appropriate standard, according to petitioner, would consider only the selection, coordination, or arrangement of the copyrighted work. Based solely on those factors, a determination is to be made whether the work, as a whole, qualifies as an original work of authorship. Pet. Br. at 18. The alternative standard advanced by petitioner has been generally referred to as the "subjective selection" test. See Note, *Copyright Protection for Factual Compilations — Reviving the Misappropriation Doctrine*, 56 Fordham L. Rev. 933 (1988).

⁴ Petitioner contends that the Ninth Circuit had at one time subscribed to the "sweat of the brow" test in *Leon v. Pacific Tel. & Tel. Co.*, 91 F.2d 484 (9th Cir. 1937), but that it rejected that test in *Worth v. Selchow & Righter*, 827 F.2d 569 (9th Cir. 1987), cert. denied, 485 U.S. 977 (1988). This contention is a misapprehension of *Worth*. *Worth* was a decision on appeal from the denial of a motion for summary judgment of copyright infringement. In affirming, the Ninth Circuit did not address the copyrightability of *Worth's* encyclopedia, but merely held that the accused game (*Trivial Pursuit*) was not substantially similar to the protectible expression embodied in *Worth's* copyrighted works. Accordingly, *Worth* speaks not to the copyrightability of compilations of data, but to the scope of copyright protection in a specific example of such compilations.

Petitioner's emphasis on its perceived split among the circuits represents an attempt at the sublimation of form into substance. Irrespective of the rationale deployed, courts uniformly apprehend copyrightability in telephone directories and other compilations of factual data, provided that the requisite level of statutorily founded originality is deemed to exist.⁵

The decision of the Fifth Circuit in *Rockford Map* adopts a cogent approach to a determination of the copyrightability of compilations of data, and in so doing largely belies the need to accept petitioner's invitation to choose between "sweat of the brow" and "subjective selection" criteria.

In *Rockford Map*, the accused infringer, Directory Service, argued that since *Rockford Map* had spent little time preparing its maps, its efforts were "not very industrious" and that, therefore, *Rockford Map's* plat maps were not copyrightable. 768 F.2d at 148. The Court rejected Directory Service's argument and emphasized that the amount of time spent creating the copyrighted map was irrelevant to copyrightability. The *Rockford Map* decision is correctly recognized, not as rejecting "sweat of the brow" as a basis for protection, but rather as recognizing that relevant precedent⁶ determined the copyrightability of compilations according to whether the compiler produced an original arrangement or presentation of facts — that is, whether the author added something of himself — and not the amount of time the work consumed. *Id.* See Note, *Copyright Protection for Compilations of Fact: Does the Originality Standard Allow Protection*

⁵ It is widely agreed that copyright law firmly establishes that the requirement of originality does not refer to a desired modicum of artistic merit, but rather to the consideration that the work has been independently created. See Patry, *Copyright in Collections of Facts: A Reply*, 6 Comm. & L. 11, 19 (1984).

⁶ *Jeweler's Circular Publishing Co. v. Keystone Publishing Co.*, 281 F. 83 (2d Cir.), cert. denied, 259 U.S. 581 (1922); *Schroeder v. William Morrow & Co.*, 566 F.2d 3 (7th Cir. 1977).

on the Basis of Industrious Collection?, 62 Notre Dame L. Rev. 763, 772 (1987).

The tendency to overstate the significance of any tension between "sweat of the brow" and "subjective selection" has not been lost on others. *Amici curiae*, Independent Industry Association ("IIA"), ADAPSO, and The Computer and Software Services Industry Association, Inc. ("IIA, et al."), concur that:

the dichotomy may be much less sharp than petitioner suggests. Indeed common threads running throughout the precedential fabric suggest that any "split in principle" may have a limited practical effect, and that any doctrinal "division" can be bridged.

Br. of Amici IIA, et al. at 15 (footnotes omitted).

In addition, at least one commentator has opined that where factual compilations are concerned, courts should apply a broad standard of originality, based on the language of the statute, which suggests that "*both labor and arrangement/selection factors must be considered.*" Note, *supra* p. 8, 56 Fordham L. Rev. at 934 (emphasis added).

It would appear that some courts, when upholding the copyrightability of works that are clearly worthy, feel unnecessarily compelled to fortify their finding of originality with a rationale that can be associated with either "sweat of the brow" or "subjective selection" considerations. However, on occasion courts have taken the opportunity to hold that telephone directories in question satisfy the criteria for copyrightability under either criterion.⁷

⁷ See *Southern Bell Tel. & Tel. Co. v. Associated Tel. Directory Publishers, Inc.*, 756 F.2d 801, 810, n.9 (11th Cir. 1985); *BellSouth Advertising and Publishing Corp. v. Donnelly Information Publishing, Inc.*, 719 F. Supp. 1551, 1557 (S.D. Fla. 1988).

A survey of cases deciding the copyrightability of compilations, conducted with particular attention to the nature of the copyrighted works in question, impels the ineluctable conclusion that the two criteria are not mutually exclusive, and are probably not exhaustive of those criteria that may be justifiably relied on by a court in support of its finding of originality. The appropriate determinant of copyrightability is not the nature of the activity engaged in by the author — unless that activity happens to be copying — "but rather the nature of the final result." *Financial Information, Inc. v. Moody's Investors Service, Inc.*, 808 F.2d 204, 207 (2d Cir. 1986), *cert. denied*, 484 U.S. 820 (1987). There appears palatable merit in the suggestion that:

Much in the case law supports a view of the two tests for compilation authorship as complementary rather than conflicting. The low threshold of originality may be met by considering both the author's activity in collecting and assembling the data, and his activity in selecting, coordinating or arranging it. Such an approach gives effect to the full text of the [Copyright] Act's definition of compilation, 17 U.S.C. sec. 101, and recognizes the role played by all listed aspects of compilation authorship.

Br. of Amicus IIA, et al. at 17.

Nevertheless, petitioner's attack on "sweat of the brow" as a valid foundation for copyrightability of fact or data compilations warrants response.

It cannot be reasonably contended that the diligent and industrious compiler of a directory, by virtue of his efforts, will have failed to create a work that comports with the minimal requirements of originality; the compiler's efforts will almost assuredly result in a work of independent creation. To deprive a compiler of copyright protection in such circumstances effectively removes the primary incentive for authors

to incur labor, expense and effort in the creation and dissemination of works, which, in turn, benefit the public. See Chafee, *Reflections on the Law of Copyright: I*, 45 Colum. L. Rev. 503, 506 (1945) (arguing that, ideally, the primary purpose of copyright is to benefit the author). In effect, disparagement of the copyright value of directories and other compilations ultimately undermines the copyright policy that is designed to "assure contributors to the store of knowledge a fair return for their labors." *Harper & Row, Publishers, Inc.*, 471 U.S. at 546.

It would appear that any unwillingness to consider the labor expended in the creation of a compilation derives from the misplaced view that to do so is tantamount to affording protection to research or to labor *qua* labor, which is generally regarded to be beyond the scope of copyright protection. However, this view overlooks the fact that, in authoring a directory or a compilation, the compiler independently creates a *collection* of facts or data. What must be recognized is that the collection the compiler creates represents expression. To wit: the compiler independently creates a single source of those facts, as distinguished from disparate sources of the dispersed individual facts that existed prior to the compiler's creation. This collection created by the compiler merits protection because it represents the compiler's *expression* of that set of facts. See Note, *supra* p. 8, 56 Fordham L. Rev. at 945.

In addition, there seems to be a tendency to minimize the level of effort or expense incurred, and discretion exercised, in selecting, collecting, coordinating and arranging the data that constitutes a telephone directory. It should be realized that the following activity is typically required to create a telephone directory.

In the course of providing new telephone service or changes to current telephone service, the telephone company obtains the name and address, as well as, in many instances, employment information and other information relevant to

maintaining a relationship with a subscriber. The telephone company then assigns the telephone number.

Business subscribers provide not only the business name and address to the telephone company, but in many instances will provide fictitious business name statements or copies of business licenses to the telephone company supporting the appearance of its name in the alphabetical and classified sections of a telephone directory. The business will receive at least one telephone number, perhaps more.

All this information obtained by the telephone company appears in a document which may be called a "service order." The service order may contain several pages of information, including not only credit information and location of the business but also data concerning the type and number of telephone instruments, whether or not the telephone number is to be jointly used by multiple businesses, and the number of telephone lines and alternate call numbers assigned to the business customer.

Subsequently, all or part of the information is entered into a data base to create a directory in accordance with instructions concerning the geographic boundaries and other specifications for the directory.

In addition to collecting and arranging massive amounts of data, the telephone company also makes selective decisions concerning the geographic scope of each of the directories within its franchise area. It may subdivide directories into different geographic directories, may include in a single directory subdivisions by county, town, or other geographic area; it may include zip codes along with the names, addresses, and telephone numbers, and may include through licensing or cross-licensing agreements listings from other adjoining telephone franchise areas. Telephone companies may print business listings in different type style, sometimes selling bold or highlighted listings in the alphabetical section of the directory. Geographic boundaries frequently change to

serve the needs of end-users, expanding and contracting the boundaries contained in the directory to enhance the ability of the directory to compete effectively with other directories in the marketplace by making the areas covered by the directory correspond to shopping patterns in the community served by the directory.

Accordingly, any inclination to derogate the nature of the activity engaged in by a telephone company or a directory publisher in creating a telephone directory reflects a misapprehension of that activity.

As maintained above, the copyrightability of any work is properly viewed to turn primarily on *the nature of the work itself*, rather than on a characterization of the activity engaged in creating the work. With this in mind, there is no doubt that preserving copyright protection in telephone directories and other compilations of data is clearly warranted by the policies underlying copyright law, regardless of the doctrines or rationales relied on in furtherance of those policies.

III. PROPER COPYRIGHT INFRINGEMENT ANALYSIS REQUIRES AN ASSESSMENT OF THE SCOPE OF COPYRIGHT IN RESPONDENT'S DIRECTORY AND A DETERMINATION THAT PETITIONER'S ACCUSED DIRECTORY IS SUBSTANTIALLY SIMILAR TO THE PROTECTIBLE EXPRESSION EMBODIED IN RESPONDENT'S DIRECTORY.

A. An Adequate Assessment Of The Scope Of The Copyright In Telephone Directories And Other Compilations Of Data Recognizes That Protectible Expression Results From The Collection Of Data In A Directory Or Compilation.

In order to prevail in its claim against an accused infringer, the owner of a copyright in a telephone directory or

any other copyrighted work must establish that the accused work is substantially similar to the protectible expression embodied in the copyrighted work.⁸ *Durham Industries, Inc. v. Tomy Corp.*, 630 F.2d 905, 912 (2d Cir. 1980); *Hoehling v. Universal City Studios, Inc.*, 618 F.2d 972, 977 (2d Cir.), *cert. denied*, 449 U.S. 841 (1980). See also, *Warner Bros., Inc. v. American Broadcasting Cos.*, 530 F. Supp. 1187, 1190 (S.D.N.Y. 1982), *aff'd*, 720 F.2d 231 (2d Cir. 1983). It seems appropriate, therefore, in a copyright infringement analysis, to initially determine the proper scope of protection to be attributed to the copyrighted work. Having made this determination, it then remains only to decide whether the accused work constitutes an unlawful appropriation of material within the scope of the copyright in question.

The Copyright Act requires that protection in a compilation or derivative work (as those terms are defined in 17 U.S.C.A. § 101) "extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work." 17 U.S.C.A. § 103(b).⁹ It has been recognized that § 103(b) has given rise to confusion

⁸ More specifically, plaintiff's burden in a copyright infringement action is to demonstrate that defendant copied the requisite amount of protected material from plaintiff's work. Where direct proof of copying is not available, plaintiff must adduce circumstantial evidence, including proof of access to the copyrighted work by defendant. See W. Patry, *Latman's The Copyright Law* at 191-192 (6th ed. 1986). However, GTE Corporation is unaware of any reported case involving the infringement of a telephone directory or compilation of data in which access was in dispute.

⁹ Petitioner cites § 103(b) as authority for the proposition that "[t]he only copyrightable interest RTSC can conceivably possess in the white page listings is in the exact arrangement of those listings 'as a whole'." Pet. Br. at 18. Apart from the fact that petitioner's asserted construction and application of § 103(b) flies in the face of the overwhelming weight of decisional law deciding the infringement of compilation copyrights, petitioner's assertion appears to align poorly with the legislative history of § 103.

(footnote continues)

regarding the scope of copyright protection in compilations. Note, *supra* p. 8, 56 Fordham L. Rev. at 948. Specifically, one source of confusion emanating from § 103 relates to "[w]hether the term 'material' [as used in § 103] applies to the data collected by the compiler, or whether it refers only to the compiler's manner of arranging and presenting the materials." *Id.* William Patry argues that if the former construction is intended, the result would be no protection for the copyright in a compilation of data. Patry, *supra* note 5, 6 Comm. & L. at 16. Surely this cannot be the statutory intent, but it is precisely the construction advocated by petitioner.

What is required is a principled valuation of the scope of copyright protection in compilations of data, a valuation that fairly respects the two competing interests invoked in copyright law: (i) the need to provide adequate incentive for the creation of original works of authorship and (ii) the need to preserve the free dissemination of information. Professor Robert Denicola has articulated an approach to copyright protection for compilations of data that eminently satisfies these requirements. See Denicola, *Copyright in Collections of Facts: A Theory for the Protection of Nonfiction Literary Works*, 81 Colum. L. Rev. 516 (1981).

Professor Denicola agrees that copyright law properly offers little to one intent on maintaining control over *individual* statements of fact, but suggests that "the calculus quickly changes as fact is piled upon fact to yield no longer a simple

(footnote continued)

In enacting § 103, Congress was principally concerned that the author of a derivative work based upon a work that itself was copyrighted or in the public domain might attempt to assert a copyright interest in the original work. Congress thus explained of § 103(b) that "[t]he most important point here is one that is commonly misunderstood today: Copyright in a 'new version' covers only the material added by the *later* author, and has no effect one way or the other on the copyright or public domain status of the existing material." H.R. Rep. No. 1476, 94th Cong., 2d Sess. at 57 (1976) (emphasis added); S. Rep. No. 473, 94th Cong., 2d Sess. at 55 (1976).

statement, but a catalog, encyclopedia, a directory." Denicola, *supra* p. 16, at 526. After discarding the "arrangement" of data in compilations and directories as an unsatisfactory touchstone of copyrightability, Professor Denicola persuasively concludes:

One promising approach is to find authorship in the act of aggregating isolated pieces of information. The particular *collection* of data would thus itself be a work of authorship. Unless the collection of data contained in the compilation has been copied from a preexisting source, it represents an original contribution of the author. The collection owes its origin to the author as much as does the manner in which the collection is arranged. This distinguishes the process of culling and assembling facts, which results in the collection, from the discovery of the facts themselves, and thereby secures a spot for the collection outside the category of discoveries, which are expressly excluded from copyright protection. . . . The cases sustaining infringement claims despite the absence of an appropriation of arrangement support the conclusion that the particular collection of data contained in a compilation may be considered a copyrightable element of the overall work.

Id. at 530 (footnotes omitted).

It would appear that copyright analysis of compilations according to the approach espoused by Professor Denicola would necessitate an evaluation of the degree of originality that derives from the particular collection of data. And, presumably, originality in this sense could arise as a result of

either "sweat of the brow" or "subjective selection" engaged in by the author.¹⁰

If nothing else, uniform adoption of this approach would have the obviously salutary effect of imparting needed rationality to copyright infringement analysis by obviating the spurious sweat-of-the-brow/subjective-selection disparity. In addition, it should not be assumed that the suggested approach forecloses the possibility that originality can inhere in a compilation as a result of factors other than the nature of the collection of data constituting the compilation. Professor Denicola perceives that the scope of copyright protection in compilations can, in fact, derive from additional elements, such as the arrangement of those facts within the compilation. *Id.* at 532.

A number of courts have readily recognized that the proper scope of copyright protection in directories and other compilations of data embraces more than the mere arrangement of data, although in some instances this recognition has been arrived at without reliance on a collection rationale as specifically articulated by Professor Denicola. These courts

¹⁰ Although not an issue squarely before the Court in this case, the scope of copyright protection in factual narratives has proved nettlesome in the past. See, e.g., *Harper & Row, Publishers, Inc. v. Nation Enterprises*, 471 U.S. 539 (1985); *Hoehling*, 618 F.2d 972. Denicola's "collection" rationale can be profitably applied:

While the specific literary expression is copyrightable, protection limited to the author's prose cannot prevent an appropriation of the labor and expense of the investigation itself. Such appropriations can be controlled, however, by analogizing from the compilation cases and recognizing authorship in the collection of data chosen by the nonfiction writer. Indeed, this appears to have been the basis for the district court opinion, [in *Miller v. Universal City Studios*] which in addition to a predictable reference to *Toksvig v. Bruce Publishing Co.*, 181 F.2d 664 (7th Cir. 1950)] cited *Leon* and *Southwestern Bell [Tel. Co. v. Nationwide Ind. Dir. Directory Serv., Inc.]*, 371 F. Supp. 900 (W.D. Ark. 1974)] — two directory cases supporting the collection rationale (footnote omitted).

Denicola, *supra* p. 16, at 538.

have held that any substantial appropriation of data from a copyrighted directory or compilation will implicate the copyright owner's exclusive rights.

In *Leon v. Pacific Tel. and Tel. Co.*, 91 F.2d 484 (9th Cir. 1937), the defendant had published a "numerical directory," in which he had taken information contained in the plaintiff's copyrighted alphabetical directory and published it in rearranged form, classifying it according to exchanges, and listing the telephone numbers in each exchange in numerically consecutive order. The number was followed by the subscriber's name; no address information was provided. The Ninth Circuit ruled in favor of the copyright owner, Pacific, primarily on the basis that the copyright included within its scope, not only the arrangement published by Pacific, but also other arrangements of the data Pacific had collected, regardless of whether Pacific had elected to use those other arrangements. *Id.* at 486.

An analogous result was reached in *Triangle Publications, Inc. v. New England Newspaper Publishing Co.*, 46 F. Supp. 198 (D. Mass. 1942). In *Triangle Publications*, the plaintiff published daily and monthly periodicals in the form of charts containing information on horse races. According to the court, the defendants committed infringement when they copied the plaintiff's symbols into charts, and also when they presented the symbols in narrative form. *Id.* at 202.

In this instance, the court again recognized a scope of copyright sufficiently expansive to protect more than the verbatim arrangement of the data compiled by Triangle Publications. The copyright was held to proscribe the substantial selective taking of the elements of data Triangle Publications had collected, irrespective of the manner in which New England Newspaper had rearranged that data.

National Business Lists, Inc. v. Dun & Bradstreet, Inc., 552 F. Supp. 89 (N.D. Ill. 1982), squarely addresses the issue of copyright infringement in the context of computer data

bases.¹¹ D&B had for years published credit reference books as part of its credit reporting service. D&B's credit reference books contained financial and other information regarding certain businesses. NBL was in the business of selling customized mailing lists. NBL extracted information from D&B's credit reference books and loaded that information into NBL's computer data base. NBL supplemented the D&B information with information from other sources, including telephone directories. The information that NBL disseminated to its customers bore little similarity to the totality of the information that was extracted from D&B's books and loaded into NBL's data base.

NBL argued that the scope of copyright in compilations was limited, so that infringement could not be found unless "the facts in [NBL's mailing lists] are organized and presented in a manner which closely parallels their organization and presentation in [D&B's credit reference books]." *Id.* at 92. The court did not agree that the scope of copyright in compilations was so confined. In holding that NBL had committed infringement, it reasoned:

Compilations . . . have value because the compiler has *collected* data which otherwise would not be available. The compiler's contribution to knowledge normally is the collection of information, not its arrangement. If his protection is limited solely to the

¹¹ GTE Corporation concurs with *amici* IIA, *et al.* in the view that the outcome of this litigation promises to have a profound effect on the emerging information services industry. However, GTE Corporation does not suggest, as does IIA, *et al.*, that an idiosyncratic species of copyright law is required to address the competing interests in telephone directories.

form of expression, the economic incentives underlying copyright laws are largely swept away.

Id. (emphasis added).

B. Petitioner's Directory Is Clearly Substantially Similar To The Protectible Expression Of Respondent's Directory.

Having obtained a measure of the scope of copyright protection in telephone directories and other compilations of data, it remains only to determine whether an accused work, such as petitioner's directory, is substantially similar¹² to the protectible expression embodied in the copyrighted work.

Petitioner and others who find themselves poised to use portions of a copyrighted work are able to rely on the concept of substantial similarity¹³ as a yardstick to modulate the nature and amount of data they are free to take from the work.

¹² Just as copying is an essential element of infringement, so substantial similarity between the plaintiff's and defendant's works is an essential element of copying. Yet, the determination of the extent of similarity which will constitute a *substantial* and hence infringing similarity presents one of the most difficult questions in copyright law, and one which is the least susceptible of helpful generalizations. It is clear that slight or trivial similarities are not substantial and are therefore noninfringing. But it is equally clear that two works may not be literally identical and yet, for purposes of copyright infringement, may be found to be substantially similar.

3 M. Nimmer & D. Nimmer, *Nimmer on Copyright* § 13.03[A], at 13-23 (1990) (footnotes omitted).

¹³ In fact, copyright infringement analysis invokes a prerequisite threshold inquiry, sometimes referred to as the "*de minimis*" test. See, e.g., *G.R. Leonard & Co. v. Stack*, 386 F.2d 38 (7th Cir. 1967). See also Nimmer, *supra* note 12, § 13.03[A], n.101, and cases cited therein. According to the *de minimis* test, an accused infringer is permitted to copy an amount of the copyrighted work, so long as the amount copied is, quantitatively and qualitatively, an insignificant portion of the copied work.

A copyright plaintiff's burden to establish substantial similarity as an element of infringement effectively permits others any use of the copyrighted work that does not result in a second work that is substantially similar to the copyrighted work. Consequently, it is apparent that the requirement of substantial similarity imparts a hollow sound to petitioner's wail that "the lower courts are granting indirect protection to facts, contrary to §§ 102(b) and 103(b)." Pet. Br. at 17, 19.

Professor Denicola anticipates and peremptorily disposes of that plaint:

Recognizing a property interest in the collection of information contained in a copyrighted compilation need not raise the spectre of a monopolist stifling future intellectual activity. Unfettered access to individual facts would continue to be assured by the traditional requirement of substantial similarity. Since it is the collection as a whole that represents the original work of authorship, only copying sufficient to produce a substantially similar collection would generate potential liability.

Denicola, *supra* p. 16, at 531 (footnote omitted) (emphasis added).

Worth v. Selchow & Righter Co., 827 F.2d 569 (9th Cir. 1987), *cert. denied*, 485 U.S. 977 (1988), is instructive of the manner in which application of the substantial similarity requirement operates to afford a second comer access to and use of a compilation of data. In *Worth*, the Ninth Circuit permitted creators of the game *Trivial Pursuit* to use as a source of factual information two volumes of *Worth's* copyrighted encyclopedia. Even though the accused infringers relied on approximately 4,000 of the 12,000 discrete entries in the encyclopedia, the court found that the accused work was not substantially similar to *Worth's* copyrighted encyclopedia. This outcome was a result of the court's application of

a more stringent similarity requirement to factual works,¹⁴ *id.* at 572, and the fact that the factual data was arranged and presented differently in the game than it was in the encyclopedia.

As Professor Denicola has noted:

It is impossible to dictate in advance the extent of an appropriation of information necessary to justify a finding of infringement. Presumably a less appropriation of data would suffice when additional aspects of the work have also been taken, since the substantial similarity test measures cumulative effect. The question of degree is troublesome, but no more so than in other contexts in which judge or jury confront the issue of substantial similarity.

Denicola, *supra* p. 16, at 532.

¹⁴ The Ninth Circuit relied on *Landsberg v. Scrabble Crossword Game Players, Inc.*, 736 F.2d 485 (9th Cir.), *cert. denied*, 469 U.S. 1037 (1984) for the proposition that "[b]ecause authors who wish to express ideas in factual works are usually confined to a 'narrow range of expression . . . , similarity of expression may have to amount to verbatim reproduction or very close paraphrasing before a factual work will be deemed infringed.'" *Worth* at 572 (quoting *Landsberg* at 488).

However, at least one commentator believes that the application of a higher standard of substantial similarity to nonfictional works than to fictional works is erroneous:

There is no reason, factual or legal, justifying the establishment of a different standard of substantial similarity for any class of work. It is noteworthy in this regard that in reversing the Second Circuit's decision in *Harper & Row*, . . . the Supreme Court held: "We agree with the Court of Appeals that copyright is intended to increase and not to impede the harvest of knowledge. But we believe the Second Circuit gave insufficient deference to the scheme established by the Copyright Act for fostering the original works that provide the seed and substance of this harvest." (citations omitted)

W. Patry, *supra* note 8, at 197, n.31.

In any case, mere rearrangement of the data collected in a copyrighted directory should present no impediment to a finding of substantial similarity. Even if rearranged, the accused work may be found to have misappropriated a substantial portion of the protectible expression of the copyrighted work, insofar as that expression flows from the collection of data in the original. In addition, and in all likelihood, the accused work will achieve the status of an infringing derivative work.

Although it is apparent that pronouncements regarding substantial similarity must be made on a case-by-case basis, by any rational measure petitioner's directory is substantially similar to the expression protected by respondent's copyright.

IV. PETITIONER'S "INDEPENDENT VERIFICATION" OF LISTINGS TAKEN FROM RESPONDENT'S DIRECTORY DOES NOT MITIGATE INFRINGEMENT.

In the proceedings below, petitioner contended that the effort it expended in independently verifying individual listings taken from respondent's directory before transporting them to its own should operate in mitigation of infringement. See, *Rural Tel. Serv. Co. v. Feist Publications, Inc.*, 663 F. Supp. 214 (D. Kan. 1987), *aff'd mem.*, 916 F.2d 718, *cert. denied*, 59 U.S.L.W. 3209 (U.S. Oct. 2, 1990) (No. 89-1909). For the reasons propounded below, petitioner's efforts in the nature of "independent verification" are unavailing.

It is almost axiomatic in copyright law that a second comer who uses a copyrighted work to produce a work that is substantially similar to the copyrighted work will be guilty of infringement. An exception to the general proposition occurs

when the second comer uses access¹⁵ to the copyrighted work as a guide to appropriate source material. See, e.g., *Moffat & Paige, Ltd. v. George Gill & Sons*, 86 L.T.R. (n.s.) 465 (1902); *Schroeder v. William Morrow & Co.*, 566 F.2d 3 (7th Cir. 1977); *Grove Press, Inc. v. Collectors Publications, Inc.*, 264 F. Supp. 603 (C.D. Cal. 1967).

However, the right to use the copyrighted source, even as a "guide," appears to be circumscribed. In *Rockford Map*, the Fifth Circuit said:

All concede, as Learned Hand said in *Jewelers'* [sic] *Circular*, . . . that "a second compiler may check

¹⁵ Petitioner below had advanced notions separate from copyright in its efforts to gain access to respondent's directory listings. Specifically, Feist argues that RTSC's copyright claim is circumvented by RTSC's legal duty to freely make available an "essential facility" (RTSC's white pages) to its competitors.

To establish liability under the essential facilities doctrine, a plaintiff must show: (1) control of the essential facility by a monopolist; (2) a competitor's inability practically or reasonably to duplicate the facility; (3) denial of the use of the essential facility to a competitor; and (4) the feasibility of providing the facility. *MCI Communications Corp. v. American Tel. and Tel. Co.*, 708 F.2d 1081, 1132-33 (7th Cir.), *cert. denied*, 464 U.S. 891 (1983) (citing *Otter Tail Power Co. v. United States*, 410 U.S. 366 (1973); *United States v. Terminal R.R. Ass'n*, 224 U.S. 383 (1912)).

In the antitrust proceeding below, the lower court was not convinced that RTSC's white pages listings constituted an essential facility. The court reasoned that the information contained in the white pages listings could be independently obtained from other sources. Moreover, the court found that acquiring such information was neither impossible or economically impractical. See *Rural Tel. Serv., Inc. v. Feist Publications, Inc.*, 737 F. Supp. 610 (D. Kan.), *recon. denied*, 1990-2 Trade Cases (CCH) ¶ 69,236 (1990).

Although the antitrust issues are not before the Court, the essential facilities doctrine is relevant in that it represents a potential mechanism for providing relief, in appropriate circumstances, to qualified parties who require access to copyrighted material. The courts below considered these circumstances not to be appropriate, and petitioner not to be so qualified.

back his independent work upon the original compilation." The right to "check back" does not imply a right to start with the copyrighted work. Everyone must do the same basic work, the same "industrious collection." "A subsequent compiler is bound to set about doing for himself what the first compiler has done." *Kelly v. Morris*, [1866] 1 Eq. 697, 701 The second compiler must assemble the material as if there had never been a first compilation; only then may the second compiler use the first as a check on error. Here, as in *Schroeder*, the second compiler started with the selection, ordering, and arrangement of the first. The district court found that Directory Service "did not make an independent production. To the contrary, it merely took the copyrighted . . . information and edited it." That Directory Service made some changes is irrelevant; the starting point itself offended.

768 F.2d at 149 (citations and footnote omitted).

It is clear that the only activity countenanced by the courts is the independent canvass. For example, the district court, in *Central Tel. Co. of Va. v. Johnson Publishing Co.*, 526 F. Supp. 838 (D. Colo. 1981), conceded that:

Courts recognize that a compiler of a directory may make fair use of an existing compilation if he first makes an independent canvass, then merely compares and checks his own compilation with that of the copyrighted publication and publishes the result after verifying the additional items derived from the copyrighted publication. . . . Since the copyright covers the compilation of the information and not the individual names and addresses, if there is substantial copying from the plaintiff's work without an independent canvass initially, the resulting work will be an infringement even when the defendant

later verifies the material by checking the plaintiff's original sources.

Id. at 843 (citations omitted). *Central Telephone* was quoted with approval below. See *Rural Tel. Serv. Co.*, 663 F. Supp. at 221.

And the late Professor Nimmer appears to agree in general that:

Verification of the accuracy of previously collected material by checking it against similar material contained in a copyrighted work does not itself constitute actionable copying, even where minor changes of spelling, etc., are made directly from the protected work as a result of the check.

2 Nimmer, *supra* note 12, § 8.01[D], at 8-20 (footnote omitted).

However, he cautions that there are limits on what the second comer may do in the way of cross-checking. "If, however, there is substantial copying from the plaintiff's work, the resulting work will be an infringement even if the defendant then verifies the material by checking the plaintiff's original sources." *Id.* at 8-20 (citing *W. H. Anderson Co. v. Baldwin Law Publishing Co.*, 27 F.2d 82 (6th Cir. 1928); *Central Tel. Co. of Va. v. Johnson Publishing Co.*, 526 F. Supp. 838 (D. Colo. 1981); *Produce Reporter Co. v. Fruit Produce Rating Agency*, 1 F.2d 58 (E.D. Ill. 1924)).

United Tel. Co. of Mo. v. Johnson Publishing Co. Inc., 855 F.2d 604 (8th Cir. 1988), presents a factual situation that appears to be analogous in all material aspects to the situation here. In *United Telephone*, the Eighth Circuit affirmed a grant of summary judgment of infringement, even though the accused infringer, Johnson, had independently verified all

but 214 of the approximately 5,000 listings it had taken from United's directory.¹⁶ The Eighth Circuit held that:

By comparing its 1985 City Directory white pages with United Telephone's 1985 Phone Book white pages, Johnson discovered and obtained the names, addresses, and telephone numbers of new subscribers for telephone service. Johnson then copied this information into its City Directory computer data base. . . . By copying this information directory into its computer data base, Johnson has "taken" from United Telephone's compilation of its listings, and has copied "material contributed by the author." This copying by Johnson violates United Telephone's exclusive right to reproduce its 1985 Jefferson City Phone Book, and is an infringement of its copyright.

Id. at 608.

The Eighth Circuit held also that Johnson's reprinting of information from United's white pages into Johnson's white pages was an infringement. *Id.* at 612-613.¹⁷

¹⁶ Johnson's City Directories contained additional information not available in United's white pages, including: names of spouses, occupation, names and years of birth of children, and whether or not residents owned their own homes. 855 F.2d at 606.

¹⁷ It seems likely that because of the substantial additional data provided by Johnson in its City Directories, the City Directories would qualify for copyright protection. However, they would also undoubtedly assume the status of derivative works.

Something of a gloss has been imparted to the statutory definition so that, at least in some circuits, a work is considered a derivative work "only if it would be considered an infringing work if the material which it had derived from a prior work had been taken without the consent of the copyright proprietor of the prior work." *Litchfield v. Spielberg*, 736 F.2d 1352, 1354 (9th Cir. 1984) (citing *United States v. Taxe*, 540 F.2d 961 (9th Cir. 1976)).

(footnote continues)

Accordingly, copyright law allows independent creation of works even though the works are substantially similar to a copyrighted work. In addition, a second comer may use a copyrighted work as a "guide" to public domain sources. With respect to telephone directories, courts have indicated that an independent publisher must conduct his own canvass. Independent verification, after access to and borrowing from a copyrighted work, does not mitigate infringement. This result follows directly from well-settled copyright infringement considerations, which establish that infringement is found by proof of: (i) access to the copyrighted work by the accused infringer and (ii) substantial similarity of the accused work to the protected expression of the copyrighted work. See 3 Nimmer, *supra* note 12, at Ch. 13. Even if petitioner's directory were assumed, *arguendo*, to represent an improvement upon respondent's, infringement would still lie. See, e.g., *American Visuals Corp. v. Holland*, 261 F.2d 652 (2d Cir. 1958).

(footnote continued)

In any event, the right to create derivative works based on his copyrighted work is one of the exclusive rights bestowed on a copyright owner under the Copyright Act. See 17 U.S.C.A. § 106(2). Therefore, creation of an unauthorized derivative work is an act of copyright infringement. Because of this, Johnson's ability to enforce purported copyrights in its City Directories, and Feist's right to do so in its AREA-WIDE directories, is problematic. See 1 Nimmer, *supra* note 12, § 3.06, at 3-22.2 to 3-23.

CONCLUSION

Respondent possesses a valid copyright in its telephone directory. Petitioner's use of respondent's directory as a source from which to create its own directory is an act of infringement. "Independent verification" does not excuse petitioner's infringement. Therefore, the judgment of the Court of Appeals should be **AFFIRMED**.

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FILED

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CLERK

In the Supreme Court of the United States

OCTOBER TERM, 1980

FEIST PUBLICATIONS, INC., PETITIONER

v.

RURAL TELEPHONE SERVICE COMPANY, INC., RESPONDENT

**On Writ of Certiorari to the
United States Court of Appeals
for the Tenth Circuit**

**BRIEF OF AMERITECH, BELL ATLANTIC,
NYNEX CORPORATION, PACIFIC TELESIS GROUP,
AND SOUTHWESTERN BELL CORPORATION
AS AMICI CURIAE IN SUPPORT OF RESPONDENT**

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QUESTION PRESENTED

Whether copyright in a "white pages" telephone directory protects the copyright owner against wholesale use of the directory's listings in the preparation of a competing directory.

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In the Supreme Court of the United States

OCTOBER TERM, 1990

 No. 89-1909

FEIST PUBLICATIONS, INC., PETITIONER

v.

RURAL TELEPHONE SERVICE COMPANY, INC., RESPONDENT

 On Writ of Certiorari to the
 United States Court of Appeals
 for the Tenth Circuit

 BRIEF OF AMERITECH, BELL ATLANTIC,
 NYNEX CORPORATION, PACIFIC TELESIS GROUP,
 AND SOUTHWESTERN BELL CORPORATION
 AS *AMICI CURIAE* IN SUPPORT OF RESPONDENT

INTEREST OF THE *AMICI CURIAE*

Amici Ameritech, Bell Atlantic, NYNEX Corporation, Pacific Telesis Group, and Southwestern Bell Corporation are companies that, directly or through subsidiaries, publish and register with the Copyright Office telephone "white pages" directories. Petitioner's contentions here call into question the scope of the copyright protection available in such directories. *Amici* therefore submit this brief to assist the Court in the resolution of this case.¹

¹ The parties' letters of consent pursuant to Rule 37 of the Rules of this Court have been filed with the Clerk of the Court.

SUMMARY OF ARGUMENT

Two propositions are central to the arguments of petitioner and all of its *amici*: the assertion that the court of appeals permitted respondent to copyright "facts," and the related contention that copyright in a directory precludes only the verbatim reproduction of the directory's precise selection of data in an identical arrangement. In our view, neither proposition has merit.

1. Individual facts as such, of course, are not subject to copyright. But respondent has not sought to assert control over the republication of particular facts. Instead, respondent's copyrightable (and therefore protectible) contribution was its compilation of a coordinated mass of information into a useful and coherent whole. The authorship here accordingly inheres in the aggregation and unified presentation of the interrelated data selected for inclusion in the directory. That respondent seeks to protect this contribution rather than facts as such is clear from the nature of its complaint: it objects not to petitioner's use of particular facts but to the wholesale appropriation of the contents of its directory. The language of 17 U.S.C. §§ 101 and 103(a), which protects compilations of data "as a whole," confirms that respondent's contribution is protected.

In arguing to the contrary, petitioner and its *amici* reason that the Copyright Act of 1976, 17 U.S.C. §§ 101 *et seq.*, precludes republication only of a directory's precise selection of data in an identical arrangement. That argument, however, reads the word "coordinated" out of the statute. And even on its own terms, the argument is insupportable. In no other setting may someone who copies copyrighted material evade an infringement claim by omitting or rearranging some of that material. Nor does petitioner gain anything from its repeated invocation of Section 103(b). That provision—if relevant here at all—simply confirms the undisputed point that particular facts are not subject to copyright. It is not ad-

dressed to the question whether the contributions of a compiler in presenting a coordinated collection of data may be protected.

2. The propriety of respondent's reading of the Copyright Act is confirmed by the legislative background. Prior to enactment of the 1976 Act, the courts uniformly had held that wholesale appropriation of data from a directory was improper, even when the second directory modified the selection of data or presented it in different form. There was no confusion on that point; so far as we are aware, every court to consider the issue prior to 1976—including this one—had reached that conclusion. And when it enacted the 1976 Act, Congress expressly endorsed the pre-1976 decisions on originality and the scope of copyright protections. That should be dispositive here.

3. With this said, it bears emphasis that petitioner's approach would entirely remove copyright protection from many of the most valuable reference works. Many forms of arrangement used by such works—those that are alphabetical, numerical, and so on—are not themselves original. If a directory that uses such an arrangement is comprehensive (so that the selection of data is not, under petitioner's theory, a matter of judgment), petitioner would allow a competitor simply to reproduce and sell copies of the original compilation. Indeed, petitioner's approach would permit the wholesale appropriation of *any* directory's contents so long as some additional data is included (as in this case) or the format is varied slightly. The resulting "new" directory then could be sold at a fraction of the original compiler's cost. The outcome of such a scheme is predictable: there will be a reduced incentive to create directories and other compilations. It seems manifest that such an outcome could not have been the intent of Congress, which enacted the Copyright Act to provide incentives for the creation and dissemination of useful works.

Of course, it may well be, as several of petitioner's *amici* suggest, that portions of directories (and other works) might appropriately be used for noncompetitive purposes without infringing the owner's copyright. In our view, however, this observation points up the wisdom of the approach taken by the court below. The fact-specific inquiry suggested by these *amici* expressly comes into play under Section 107 of the Act, which permits fair use of concededly copyrightable works. Cases like this one therefore may be most satisfactorily resolved by recognizing the existence of copyright and asserting the propriety of copying on a case-by-case basis in a fair use inquiry. Here, the courts below engaged in that inquiry and correctly concluded that petitioner's use of the material taken from respondent's directory in the preparation of a competing publication was not fair.

ARGUMENT

THE COPYRIGHT ACT OF 1976 PRECLUDES THE WHOLESALE COPYING OF THE CONTENTS OF A DIRECTORY

In effect, petitioner contends that the compiler of a directory like the telephone "white pages," despite its central role in the creation of the compilation, is entitled to no copyright protection in the resulting work. Indeed, petitioner and its *amici* argue in so many words that the *entire* contents of *every* factual compilation may be copied so long as the copier adds to (or subtracts from), or rearranges, a portion of the original compilation's data. This understanding of the Copyright Act of 1976 (the "Act" or "Copyright Act"), 17 U.S.C. §§ 101 *et seq.*, would work a radical change in the law of copyright—and would create a powerful disincentive to the production of directories and similar compilations.

In demonstrating the flaws in petitioner's argument, respondent sets out in some detail the language and history of the Act establishing that directories are subject

to copyright (Resp. Br. 11-18); that the courts prior to enactment of the Act had precluded the wholesale copying of data from compilations (Resp. Br. 25-28); and that Congress meant to endorse the decisions of those courts when it passed the Act. See Resp. Br. 28-31. We do not view these propositions as subject to serious dispute, and petitioner does not even attempt to contest the latter two points. Further discussion of these issues here accordingly is unnecessary.

Instead, we will address two propositions that are central to the arguments of petitioner and all of its *amici*: the assertion that the court of appeals permitted respondent to copyright "facts," and the related contention that copyright in a directory (if available at all) precludes only the verbatim reproduction of the directory's precise selection of data in an identical arrangement. In our view, these propositions misapprehend both the basis of the holding below and the reach of the Copyright Act.

A. Respondent's Copyright Protects Its Compilation As A Whole Rather Than Individual Facts

1. It is common ground between the parties that facts, as such, are not subject to copyright. See Section 102 (b); *Harper & Row, Publishers, Inc. v. Nation Enterprises*, 471 U.S. 539, 548, 556 (1985). Seizing on this, petitioner and its *amici* assert that, because each individual white pages listing reports a set of facts, the holding below permits respondent to assert monopoly control over the data presented in its directory. But this is a significant misstatement of respondent's position. Respondent does not seek to prevent republication of particular facts. It does not contend that it may prevent others from compiling and publishing an identical directory through their independent efforts. Nor, for that matter, does it seek copyright protection for its labor or research as such—although it bears emphasis that petitioner did, in fact, appropriate the fruits of respondent's industry.

Instead, respondent's original—and therefore copyrightable—contribution was its compilation of a coordinated mass of related data into a useful and coherent whole. The authorship here inheres, not in the facts themselves (and not in the placing of one alphabetically arranged listing in front of another), but in the unified presentation of the interrelated data selected for inclusion in the directory. As Professor Denicola put it, "[t]he particular collection of data [is] itself . . . a work of authorship." Denicola, *Copyright in Collections of Facts: A Theory for the Protection of Nonfiction Literary Works*, 81 Colum. L. Rev. 516, 530 (1981) (emphasis in original). That respondent seeks to protect this contribution rather than facts as such is clear from the nature of its complaint: it objects not to petitioner's use of particular facts but to the wholesale appropriation of the contents of its directory—an appropriation that necessarily takes the elements of original authorship contributed by respondent.

The language of the Copyright Act makes clear that these elements are protected. Section 103(a) provides that compilations are subject to copyright. The term compilation in turn is defined in Section 101 as "a work formed by [1] the collection and assembling of preexisting materials or of data [2] that are selected, coordinated, or arranged [3] in such a way that the resulting work as a whole constitutes an original work of authorship." Respondent surely "collect[ed]" and "assembl[ed]" the data in its directory. It is equally clear that respondent "selected" the data to be included and presented it as a "coordinated" whole. And since the directory plainly has the requisite originality to warrant a copyright, see Resp. Br. 9-10, the resulting work must be protected "as a whole." Wholesale copying of the directory's contents accordingly is proscribed by the Act.

This understanding—that the Act permits the copying of particular facts but precludes wholesale appropriation of data from a directory—is hardly novel. To the con-

trary, it was shared by the National Commission on New Technological Uses of Copyrighted Works ("CONTU"), which offered perhaps the most authoritative contemporaneous analysis of the Act's scope.² Specifically analogizing data bases to telephone directories, CONTU explained that

[t]he use of one item retrieved from such a work—be it an address, a chemical formula or a citation to an article—would not under reasonable circumstances merit the attention of the copyright proprietor. Nor would it conceivably constitute infringement of copyright. The retrieval and reduplication of any substantial portion of a data base, whether or not the individual data are in the public domain, would likely constitute a duplication of the copyrighted element of the data base and would be infringement.

CONTU Final Report 103 (1978).

2. Petitioner and its amici, of course, offer a different reading of the statutory language. They do not seriously contest the proposition that respondent "collect[ed] and assembl[ed]" data within the meaning of Section 101. And some of petitioner's amici, at least, acknowledge that the compilation as a whole is "an original work of authorship." See Haines and Co., Inc. ("Haines") Br. 7; Int'l Ass'n of Cross Reference Directory Publishers ("IACRDP") Br. 10-11; Third-Class Mail Ass'n ("TCMA") Br. 5. Their argument thus turns on the second prong of the statutory definition of "compilation"

² CONTU was established by Congress in 1974—prior to enactment of the Act—to propose legislation addressing the copyright issues presented by computers and photocopiers. Its recommendations were enacted by Congress in 1980 as an amendment to the Act. Computer Software Copyright Act of 1980, Pub. L. No. 96-517, 94 Stat. 3015. Its views accordingly have been regarded as authoritative. See *Whelan Associates, Inc. v. Jaslow Dental Laboratory, Inc.*, 797 F.2d 1222, 1241 (3d Cir. 1986), cert. denied, 479 U.S. 1031 (1987); *Apple Computer, Inc. v. Franklin Computer Corp.*, 714 F.2d 1240, 1252 (3d Cir. 1983), cert. dismissed, 464 U.S. 1033 (1984).

and the terms "selected, coordinated, or arranged." In particular, petitioner and its amici reason that the Copyright Act precludes republication only of a directory's precise selection of data in an identical arrangement. See Pet. Br. 22; Ass'n of North American Directory Publishers, *et al.* ("ANADP") Br. 17-18; Direct Marketing Ass'n ("DMA") Br. 17; IACRDP Br. 14-15.

This argument, however, rests on an incomplete and misleading reading of the Act. For one thing, it reads the term "coordinated" out of the statute; while not defined in the Act, the term (particularly in contrast to its disjunctive statutory siblings "selected" and "arranged") suggests the grouping of related data together into a useful whole—precisely the contribution that respondent seeks to protect here. And even on its own terms, petitioner's argument is peculiar. In every other setting, someone who copies copyrighted material cannot evade an infringement claim by omitting some of the material (or by including the material in a larger work); in Judge Learned Hand's famous phrase, "no plagiarist can excuse the wrong by showing how much of his work he did not pirate." *Sheldon v. Metro-Goldwyn Pictures Corp.*, 81 F.2d 49, 56 (2d Cir.), cert. denied, 298 U.S. 669 (1936). See *Harper & Row*, 471 U.S. at 565. It is not clear why a different result should apply when the bulk, but not all, of the listings selected by the original author for inclusion in a copyrighted directory are copied. In such circumstances, the person who copies the listings has appropriated the copyright owner's "select[ion]" of materials, a contribution that petitioner and its amici acknowledge is protected.

Petitioner's principal response on this point, as we understand it, is its assertion that there has been no meaningful selection of data here because respondent's white pages are all-inclusive. Pet. Br. 18. As respondent explains, however (Br. 18), a significant number of choices go into the creation of a white pages directory; the similar directories produced by petitioner's

amici themselves illustrate that more or less data (such as zip codes, neighborhood designations, and the like) may be included in such compilations. See Haines Br. 2; IACRDP Br. 5. In any event, petitioner evidently means to contend that the more inclusive—and therefore the more useful—a directory, the less the protection to which it is entitled under the Copyright Act. Such a rule would be worse than nonsensical; it would encourage compilers to omit data from their directories so as to qualify for copyright protection. It is impossible to believe that Congress meant to create such a system.

In addition, petitioner's proposed "selection and arrangement" test is simply unmanageable as a practical matter. While the arrangement of telephone white pages is largely routinized, respondent makes clear (Br. 18) that the compiler necessarily must make a range of choices: whether to include middle names or initials; whether to list honorifics; whether to separate out residential, business, and government listings; when to close the annual directory; and so on. If the second directory copies the data from the first, it inevitably will copy those choices as well. Filtering out each choice, and determining which had been appropriated by someone who copied the directory, would be extraordinarily difficult. And again, in the presence of wholesale copying of the directory's contents, it is hard to imagine that the availability of copyright protection was meant to turn on this sort of inquiry.

3. In arguing to the contrary, petitioner and its amici gain nothing by their repeated invocation of Section 103 (b), which provides that "[t]he copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material." Petitioner asserts that the individual white pages listings are "preexisting material" within the

meaning of Section 103(b). Even if this is so, however, it is beside the point here. As we note above, respondent is not attempting to exercise monopoly control over those materials as such; it seeks to protect only its original contribution—its presentation of a coordinated collection of related data. Nothing in Section 103(b) is inconsistent with that claim.

In any event, it is doubtful that Section 103(b) was directed at compilations of fact at all. Section 101 of the Act provides that “compilations” may be composed of “preexisting materials or of data” (emphasis added). The directory at issue here plainly is a compilation of the latter sort. But Section 103(b) is directed only at compilations and derivative works composed of “preexisting material”; it makes no mention of “data.” While not defined in the Act, such preexisting materials apparently are those—unlike data—of the sort that might be subject to copyright.³ Congress presumably meant something when it drew this distinction and directed Section 103(b) exclusively at “preexisting material.”

In fact, the reason for the distinction is clear from Section 103(b)’s legislative history. In proposing the statutory revision that ultimately led to enactment of Section 103(b), the Register of Copyrights had a particular purpose in mind: establishing that copyright in a new version of an already copyrighted work (or of a work that had fallen into the public domain)—that is, “preexisting material”—is available only if the new elements would themselves support a copyright. Similarly,

³ “Collective works” are examples of compilations that are made up of preexisting material. Collective works are defined in Section 101 to include such things as anthologies, “in which a number of contributions, constituting separate and independent works in themselves, are assembled into a collective whole.” Section 101 specifically provides that “[t]he term ‘compilation’ includes collective works.”

he also wanted to confirm that a new copyright of this sort would not give its owner control over the preexisting work. Referring to Section 7 of the Copyright Act of 1909, ch. 320, 35 Stat. 1075, 1077, the Register accordingly explained that “[w]hat the present statute fails to make clear is the basic requirement that the new elements must in themselves represent original creative authorship.” *Copyright Law Revision: Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law*, 87th Cong., 1st Sess. 9 (Comm. Print 1961).⁴

Expanding on this, the Chief of the Register’s Examining Division stated that, “[u]nder the [1909] statute, as the [Register’s] Report points out, it is unclear that the elements added to the work must, in order to support a new copyright, represent ‘original, creative authorship’ in themselves. The *only* recommendation that the Report made on this point was simply that this requirement be made clear in the statute.” *Copyright Law Revision, Pt. 2: Discussion and Comments on Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law* (“Discussion and Comments”), 88th Cong., 1st Sess. 65 (Comm. Print 1963) (remarks of Ms. Ringer) (emphasis added). Put another way, the Register’s proposal was directed to the question “how much revision is necessary to support a new copyright in what’s known, loosely, as a ‘new version.’” *Id.* (remarks of Ms. Ringer). Not surprisingly, then, none of the comments on or discussion of the Register’s proposal touched on compilations of fact. See *id.* at 13 (remarks of Mr. Robinson and Mr. Kaminstein); *id.* at 65-88; *id.*

⁴ The Register thus sought to make clear that, for example, one could not obtain a copyright simply by republishing without change a version of “Hamlet” that had fallen into the public domain; similarly, he wanted to establish that copyright in a “new” version of “Hamlet” (with, for example, new marginal notes) would extend only to the new material and not to the underlying play.

at 303 (remarks of Mr. Henn); *id.* at 372 (remarks of Mr. Nimmer).⁸

Congress endorsed this purpose when it enacted Section 103(b). The Register's proposal was adopted without significant modification. See generally I A. Latman & J. Lightstone, *The Kaminstein Legislative History Project: A Compendium and Analytical Index Leading to the Copyright Act of 1976*, at 62-81 (1981). Congress accordingly explained that Section 103(b) was "intended to define, more sharply and clearly than does section 7 of [the 1909 Act], the important interrelationship and correlation between protection of preexisting and of 'new' material in a particular work. The most important point here is one that is commonly misunderstood today: copyright in a 'new version' covers only the material added by the later author, and has no effect one way or the other on the copyright or public domain status of the preexisting material." H.R. Rep. No. 1476, 94th Cong., 2d Sess. 57 (1976). See S. Rep. No. 473, 94th Cong., 1st Sess. 55 (1975).

Indeed, the very structure of Section 103(b) suggests that the statute is directed at new versions of existing works rather than original compilations of data. The provision mandates that copyright in a compilation or derivative work "extends only to the material contributed by the author of such work." While it is not defined in

⁸ That Section 103(b) was directed at this problem is confirmed by consideration of its antecedents. The provision was designed to "clarify the language of * * * section 7 of the [1909] statute." *Discussion and Comments* at 62 (remarks of Ms. Ringer). That provision was not addressed to compilations of data; it concerned the copyrightability of "compilations or abridgements, adaptations, arrangements, dramatizations, translations, or other versions of works in the public domain, or of copyrighted works." 35 Stat. 1075, 1077 (emphasis added). Enactment of Section 103(b) accordingly must have been prompted by concerns about the treatment of compilations or derivative works based upon existing works.

the Act, the term "material" suggests the written matter that makes up a work. Yet compilations of pure fact, which this Court already has indicated are subject to copyright (see *Harper & Row*, 471 U.S. at 547), may contain no textual materials contributed by the author that individually are copyrightable. Indeed, petitioner concedes that copyright extends to the compiler's selection and arrangement of listings—contributions that do not add "material" within the ordinary meaning of that term. It thus seems plain that Section 103(b) was not directed at the problem at issue in this case.

In saying this, of course, we do not mean to suggest that copyright in a compilation of data extends to the facts that are reported in the individual listings. But granted that facts are not subject to copyright, Section 103(b) simply was not addressed to the question whether the contributions of a compiler in presenting a coordinated collection of data may be protected. Respondent contends for no more in this case.

B. The Background Of The Act Confirms That Wholesale Appropriation Of Data From A Directory Is Improper

Although many of the relevant statutory terms are not defined in the Copyright Act, respondent's reading of the statute is confirmed by the legislative background. As respondent explains (Br. 25-28), prior to enactment of the Act the courts uniformly had held that wholesale appropriation of data from a directory was improper, even where the second directory somewhat modified the selection of data or presented it in a different format. There was no confusion on this point; so far as we are aware, every court to consider the issue prior to 1976 had reached that conclusion. And the issue had arisen with some frequency: it had been decided by the First, Second, Sixth, Seventh, and Ninth Circuits, as well as by district courts in the Fifth and Eighth Circuits. See *Sampson & Murdock Co. v. Seaver-Radford Co.*, 140 F. 539 (1st Cir. 1905); *Jeweler's Circular Publishing Co.*

v. *Keystone Publishing Co.*, 281 F. 83 (2d Cir.), cert. denied, 259 U.S. 581 (1922); *W.H. Anderson Co. v. Baldwin Law Publishing Co.*, 27 F.2d 82 (6th Cir. 1928); *Schroeder v. William Morrow & Co.*, 566 F.2d 3 (7th Cir. 1977); *Adventures in Good Eating, Inc. v. Best Places to Eat, Inc.*, 131 F.2d 809 (7th Cir. 1942); *Leon v. Pacific Tel. & Tel. Co.*, 91 F.2d 484 (9th Cir. 1937); *Southwestern Bell Tel. Co. v. Nationwide Independent Directory Service, Inc.*, 371 F. Supp. 900 (W.D. Ark. 1974); *Southern Bell Tel. & Tel. Co. v. Donnelly*, 35 F. Supp. 425 (S.D. Fla. 1940).

Indeed, this Court reached the same conclusion shortly before the enactment of the 1909 Act, which itself was to be "declaratory of existing law." H.R. Rep. No. 2222, 60th Cong., 2d Sess. 10 (1909). In *Dun v. Lumbermen's Credit Ass'n*, 209 U.S. 20 (1908), the Court addressed an infringement claim involving competing listings of credit ratings. The Court found that the plaintiff was not entitled to enjoin publication of the second directory because the defendant had compiled most of its entries through an "elaborate and comprehensive system of obtaining independent information." *Id.* at 23 (citation omitted). But the Court understood the appropriation of some listings from the original compilation to infringe the compiler's copyright, and it therefore remitted the plaintiffs "to a court of law to recover such damage as they might there prove that they had sustained." *Id.* at 24. Almost 50 years later the Court implicitly confirmed that understanding, indicating that "a copyrighted directory is not infringed by a similar directory which is the product of independent work." *Mazer v. Stein*, 347 U.S. 201, 218 (1954) (emphasis added).

These courts did not dispense with the "originality" requirement, as petitioner and its amici complain. See, e.g., Pet. Br. 17-18. Instead, as one of the leading pre-Act decisions put it, the courts reasoned that the individual materials making up the directory need not "show

literary skill or originality." *Jeweler's Circular*, 281 F. at 88. The requisite originality of the work as a whole lay in the "industrious collection" and subsequent presentation of data (*id.*); as the same court explained, the compiler "produces by his labor a meritorious composition, in which he may obtain a copyright, and thus obtain the exclusive right of multiplying copies of his work." *Id.* See *Schroeder*, 566 F.2d at 5; *Leon*, 91 F.2d at 486. And the copyright in this "meritorious composition" was understood to preclude wholesale appropriation of the directory's coordinated collection of data. If this were not so, the courts explained, "there would be practically no copyright in such a work as a directory." *Jeweler's Circular*, 281 F. at 89 (citation omitted).

Petitioner and its amici do not suggest that their position is reconcilable with this authority. Instead, they evidently are of the view that all of the pre-1976 rulings are inconsistent with the 1976 Act. See, e.g., ANADP Br. 18-19 & n.21. In fact, however, Congress explained the Act in terms almost identical to those used in decisions such as *Jeweler's Circular* and *Leon*. It made clear that copyright is available in a compilation "regardless of whether the individual items in the material have been or ever could have been subject to copyright." H.R. Rep. No. 1476, *supra*, at 57; S. Rep. No. 473, *supra*, at 55. And so far as the work as a whole is concerned, Congress declared that the requisite originality "does not include requirements of novelty, ingenuity, or esthetic merit." H.R. Rep. No. 1476, *supra*, at 51; S. Rep. No. 473, *supra*, at 50. Indeed, for more than a century it has been clear that a work satisfies the originality requirement so long as it has been created independently by its author. See *Burrow-Giles Lithographic Co. v. Sarony*, 111 U.S. 53, 58 (1884). Cf. *Harper & Row*, 471 U.S. at 547 ("Creation of a nonfiction work . . . entails originality") (emphasis added). Almost by definition, that requirement is satisfied by the "industrious collection" that goes into the production of an original directory.

In any event, as respondent explains (Br. 13-17, 28-31), both Houses of Congress expressly endorsed the pre-1976 decisions on originality and the scope of copyright protections at the time the Act was enacted. Petitioner and most of its amici entirely fail even to address the import of this history. The single exception is the brief of amici Ass'n of North American Directory Publishers, *et al.*, which suggests (Br. 10 & n.9) that the development of Section 103(b) demonstrates dissatisfaction with the pre-Act decisions. As we explain above, however, Section 103(b) was directed at an entirely different problem; nowhere in its history is there a word of disapproval—nor, for that matter, mention of any sort—of decisions involving directories or other compilations of fact. Even if Section 103(b) is applicable here, then, it could not have been a response to decisions like *Jeweler's Circular* and *Leon*. Congress therefore must be understood to have endorsed the unbroken line of decisions precluding the wholesale appropriation of the contents of directories.

C. Petitioner's Approach Would Largely Eliminate Copyright Protection in Compilations Of Fact

1. With all of this said, the focus on the Act's language and history should not obscure the practicalities here. Petitioner's "selection and arrangement" approach evidently would prevent the verbatim reproduction of directories, like the telephone "yellow pages," that have a variable format.* But that approach would entirely remove copyright protection from many of the most valuable reference works. The most useful forms of arrange-

* When yellow pages are compiled, employees of the publisher, in consultation with individual businesses, typically make a discretionary determination of the headings under which the businesses are listed; they also determine whether a business warrants listing in several geographic directories. In addition, the yellow pages headings themselves are variable from directory to directory. See generally *Southwestern Bell Media, Inc. v. Trans Western Publishing, Inc.*, 670 F. Supp. 899, 907 (D. Kan. 1987).

ment—those that are alphabetical, numerical, geographical, chronological, and so on—are not themselves original; "two always comes after one, and no one can copyright the mere sequence of Arabic numbers." *West Publishing Co. v. Mead Data Central, Inc.*, 799 F.2d 1219, 1227 (8th Cir. 1986), cert. denied, 479 U.S. 1070 (1987). If a directory that uses such an arrangement is comprehensive (so that the selection of data is not, under petitioner's theory, a matter of judgment), petitioner seemingly would allow a competitor simply to photocopy and sell copies of the original compilation. Indeed, petitioner candidly acknowledges the scope of its theory in arguing that compilations like the telephone white pages are not subject to copyright at all. Pet. Br. 15-18.

Even apart from verbatim reproduction, petitioner's approach would permit the wholesale appropriation of any directory's contents so long as some additional data is included (as in this case) or the format is varied slightly. Given modern technology, this sort of repackaging of data—data that the author might have spent months or years compiling—literally could be accomplished in minutes; the original directory's listings could be fed into a computer (optical scanners would spare the copier the necessity even of entering the data by hand), and the computer could be instructed to rearrange the data automatically. See CONTU Final Report 103-104; Note, *Copied Compilations of Facts in a Public Domain Directory: The Criteria of Infringement*, 71 Nw. U.L. Rev. 833, 841 (1977). Indeed, petitioner's approach would permit the copier to skip this middle step altogether by the simple expedient of appropriating the material already in a computer data base, which cannot meaningfully be said to have an arrangement at all. See Denicola, *supra*, 81 Colum. L. Rev. at 531. In either case, the resulting "new" directory could profitably be sold at a fraction of the original compiler's cost.

The outcome of such a regime is predictable: practically no one will produce directories and similar reference

works. The creation of such works often is enormously expensive and time-consuming. But petitioner would permit anyone to buy a single copy of such a work and then reproduce and sell it—or, at best, repackage the work before selling it. Indeed, the import of petitioner's argument is that Congress not only sanctioned such a system as a matter of copyright law, but also affirmatively eliminated *all* protections for authors of such works by preempting state laws that create "rights that are equivalent to any of the exclusive rights within the general scope of copyright." 17 U.S.C. § 301(a). It seems manifest that such an outcome would frustrate the central purpose of the Copyright Act and the Constitution's Copyright Clause, which specifically were intended to provide incentives for the creation of useful works. See, e.g., *Harper & Row*, 471 U.S. at 546.

We say this, of course, with the knowledge that providers of telephone service often are obligated by law to produce white pages directories. Needless to say, that is not true of the vast range of directories; yet the language of Sections 101, 102, and 103 leaves no room for the creation of rules that would accord white pages lesser protection than that available to other compilations of fact. And even when there is a legal mandate, the incentive to produce a thorough and useful directory will be affected by the ease with which its contents may be pirated. As in this case, the obligation to publish a telephone directory often is framed in very general terms that leave the publisher considerable leeway in determining the directory's contents and method of production. See Pet. Br. 1a (simply requiring telephone companies in Kansas to "issue at least annually a dated telephone directory"). And the producers of such directories surely will take less care in their compilation if the contents may be appropriated by competitors immediately upon publication.

2. Against this, petitioner asserts a single argument from the policy of the Copyright Act: that subsequent

compilers must be permitted to appropriate respondent's material "in order to promote the public's access to information." Pet. Br. 19. But whatever the force of this policy in the abstract, it never has been effectuated by permitting the wholesale copying of factual works—the result baldly contended for by petitioner here. The reason for this is plain. There will be no useful works to disseminate if the incentive to create them is destroyed; as this Court has noted, "[i]f every volume that was in the public interest could be pirated away by a competing publisher, . . . the public [soon] would have nothing worth reading." *Harper & Row*, 471 U.S. at 559 (citation omitted). In any event, as respondent explains (Br. 38-39 n.22), petitioner is not disseminating ideas or insights in any meaningful sense, and the suggestion that its commercial piracy should be encouraged as a social service is, to say the least, substantially overstated.⁷

Indeed, many of the points advanced by petitioner's amici point up the wisdom of the approach taken by the court below. Those amici argue that lesser copyright protections should be available here because the copyrighted publication is a factual work (see *Haines Br. 13*), or that lesser protections should be provided when the alleged infringer is not a competitor of the copyright holder. See *IACRDP Br. 16*; *DMA Br. 20*; *TCMA Br.*

⁷ Respondent declined to license use of its directory by petitioner. Pet. App. 7a. This behavior stands in stark contrast to that of amici and the rest of the industry, who make their listings available on reasonable terms. But whether or not respondent's refusal was wrongful, petitioner's remedy lay in the antitrust laws, not in the use of self-help in the form of infringement of respondent's copyright. In fact, petitioner has, thus far successfully, been pursuing antitrust relief in the lower courts. See *Rural Tel. Service Co. v. Feist Publications, Inc.*, 737 F. Supp. 610 (D. Kan. 1990), app. pending, No. 90-3254 (10th Cir. 1990). In its petition for a writ of certiorari, petitioner presented the question whether wrongful refusal to deal by a copyright holder should preclude enforcement of the copyright, Pet. i, question 2. This Court limited the grant of certiorari to exclude that question.

8. In our view, these considerations simply have no bearing on the basic scope of copyright protections. They do, however, expressly come into play under Section 107 of the Act, which permits fair use of concededly copyrighted works in defined circumstances. See generally *Harper & Row*, 471 U.S. at 560-569. Cases like this one therefore may be most satisfactorily resolved by recognizing the existence of copyright and assessing the propriety of copying in a fact-specific fair use inquiry. Here, the courts below engaged in that inquiry and concluded—correctly, as respondent demonstrates (Br. 42-50)—that petitioner's use of the material taken from respondent's directory for the purpose of preparing a competing volume was not fair.

D. The Plaintiff In An Infringement Action Need Not Prove That The Copyrighted And Infringing Works Are Substantially Similar When Copying Has Been Established

Finally, several of petitioner's amici—although not petitioner itself—assert that, if respondent's directory is entitled to copyright protections, the court below nevertheless erred in finding infringement because it failed to determine both that petitioner copied the directory and that the two directories are "substantially similar." See Haines Br. 8-13; IACRDP Br. 17-20. This argument is without merit. The asserted "substantial similarity" requirement is entirely absent from the Copyright Act, which grants the copyright owner exclusive rights "to reproduce the copyrighted work" and "to prepare derivative works based upon the copyrighted work." 17 U.S.C. § 106(1), (2). The Act goes on to make clear that "[a]nyone who violates any of the exclusive rights of the copyright owner . . . is an infringer of the copyright." 17 U.S.C. § 501(a). And those rights surely are infringed when—as concededly was true in this case (see Pet. App. 7a-8a, 11a)—the copyrighted work is used as the basis for preparation of the second work. See 17 U.S.C. § 101

(defining "derivative work" as "a work based upon one or more preexisting works").

Thus, as the late Professor Nimmer explained, "[r]educed to most fundamental terms, there are only two elements necessary to the plaintiff's case in an infringement action: ownership of the copyright by the plaintiff and copying by the defendant." 3 M. & D. Nimmer, *Nimmer on Copyright* § 13.01, at 13-14 (1990) (footnotes omitted). Substantial similarity between the works simply supports an inference of copying in the absence of direct proof. "It is generally not possible to establish copying by direct evidence Therefore copying is ordinarily established indirectly by the plaintiff's proof of access [to the copyrighted work by the defendant] and substantial similarity." *Id.* § 13.01[B], at 13-7 to 13-8 (footnotes omitted).

As a consequence, proof of copying may fail to establish infringement only when the thing copied is not itself copyrightable. As the Second Circuit put it,

[c]opying may be inferred where a plaintiff establishes that the defendant had access to the copyrighted work and that substantial similarities exist as to protectible material in the two works. Put another way, [the plaintiff] must show that his book was "copied," by proving access and substantial similarity between the works, and also show that his expression was "improperly appropriated," by proving that the similarities relate to copyrightable material.

Walker v. Time Life Films, Inc., 784 F.2d 44, 48 (2d Cir.) (citations omitted), cert. denied, 476 U.S. 1159 (1986). That is the distinction drawn in each of the cases cited by petitioner's amici.⁸

⁸ See, e.g., *Harper House, Inc. v. Thomas Nelson, Inc.*, 889 F.2d 197, 207-208 (9th Cir. 1989); *Cooling Systems & Flexibles, Inc. v. Stuart Radiator, Inc.*, 777 F.2d 485, 491-492 (9th Cir. 1985); *Hochling v. Universal City Studios, Inc.*, 618 F.2d 972, 977 (3d

The "substantial similarity" argument therefore simply is another way of stating the principal contention of petitioner and its amici: that the contents of respondent's directory as a whole are not protected. If the Court rejects that contention, the "substantial similarity" argument must fall as well.

CONCLUSION

The judgment of the court of appeals should be affirmed.

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Cir.), cert. denied, 449 U.S. 841 (1980); *Sid & Marty Krofft Television Productions, Inc. v. McDonald's Corp.*, 562 F.2d 1167, 1162, 1165 (9th Cir. 1977); *Universal Athletic Sales Co. v. Solheid*, 511 F.2d 904, 908 (3d Cir.), cert. denied, 423 U.S. 863 (1975). The portion of this Court's decision in *Teleprompter Corp. v. Columbia Broadcasting System, Inc.*, 415 U.S. 394, 398 n.2 (1974), cited by amici Haines at Br. 9, stands only for the proposition that "[u]se of copyrighted material not in conflict with a right secured by § 1 [of the 1909 Copyright Act, now 17 U.S.C. § 106], no matter how widespread, is not copyright infringement." Here, of course, petitioner's reproduction of a portion of respondent's directory (and its preparation of a derivative work based on that directory) did conflict with those exclusive rights.

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(i)

QUESTION PRESENTED

1. Does the copyright in a telephone directory by the telephone company prevent access to that directory as a source of names and numbers to compile a competing directory, or does copyright protection extend only to the selection, coordination, or arrangement of those names and numbers?

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IN THE
Supreme Court of the United States
OCTOBER TERM, 1990

No. 89-1909

FEIST PUBLICATIONS, INC.,

Petitioner,

v.

RURAL TELEPHONE SERVICE COMPANY, INC.,

Respondent.

ON WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS
FOR THE TENTH CIRCUIT

BRIEF OF NATIONAL TELEPHONE
COOPERATIVE ASSOCIATION AS
AMICUS CURIAE IN SUPPORT OF RESPONDENT

INTEREST OF AMICUS CURIAE¹

The National Telephone Cooperative Association ("NTCA") is a trade association founded in 1954 to meet the needs and serve the common interests of rural telephone cooperatives in the United States. Today, NTCA members include small cooperatives and commercial telephone companies. These companies, like the respondent in this case, operate in sparsely populated and mostly rural areas in forty-five states. NTCA's

¹Consent to file this brief in support of Respondent was given by both parties. Letters of consent have been separately filed with the Clerk of the Court.

members serve a total of 3.7 million subscriber lines. The member system with the smallest number of subscriber lines is The Island Telephone Company of Bangor, Maine with 72 subscriber lines. Horry Telephone Cooperative, Inc. of Conway, South Carolina, with over thirty-eight thousand subscriber lines, is NTCA's largest member. There are approximately nine hundred small telephone companies like NTCA's members operating in the United States. Together these small companies serve about 37 percent of the geographic land mass of the country but less than 5 percent of the telephone lines.²

NTCA's members, including Rural Telephone Service Company, Inc. ("Rural"), either publish telephone directories containing the telephone numbers of their subscribers or arrange for the publication of these directories by licensees. In a majority of cases, by company choice or regulatory requirement, the profits obtained from directory advertising are contributed to the telephone company's cost of providing telephone service to subscribers. Thus, telephone company ratepayers are generally the beneficiaries of any profits received from the telephone company's publication of the company phone book.

NTCA is interested in this case because each loss of a revenue source creates pressure for a rate increase for subscribers of small companies like its members. The survival of a small company requires maximum utilization of all of the company's tangible and intangible resources. Higher than average costs are usually incurred in providing telephone service to subscribers in the rural and sparsely populated areas served by telephone cooperatives and small telephone companies.³ NTCA's member companies have survived precisely because they have been vigilant in conserving and investing

²See, generally, 1989 REA STATISTICAL REP., RURAL TELEPHONE BORROWERS, REA BULLETIN 300-4.

³See, FCC Access Charge Rules, 47 C.F.R. § 69.116 (1989).

available resources to provide quality service to the rural areas where they are authorized to provide service. These companies have a history of commitment to the development of "a rapid, efficient, Nationwide, and world-wide wire and radio communication service with adequate facilities at reasonable charges" Communications Act of 1934, Ch. 652, Title I, §1, 48 STAT. 1064, 47 U.S.C. § 151 (1982). The companies have kept pace with the technological developments needed to maintain and provide high quality telecommunications services to rural America. They have brought service to areas spurned by investors seeking the more lucrative urban markets. Most of the companies have installed state-of-the-art digital switching equipment in their central offices.

As competition emerges in today's telecommunications industry, small companies must sell more than just "plain old telephone service" to survive.⁴ Directory advertising sales have always been important to small telephone companies and remain so in a competitive environment. The revenues from directory advertising services benefit telephone subscribers by reducing the contribution which ratepayers must make to cover the costs of telephone service. Without the protection of copyright for their directories, the small commercial telephone companies and cooperatives would be deprived of the economic benefits accruing from the sale of white page listings. Large national and regional publishers could "milk" the local directories of vital and original information and republish that information without paying a dime of contribution to local telephone service while at the same time obtaining an unfair competitive advantage in the sale of yellow page advertising.

⁴See, FCC Price Caps Order, 55 Fed. Reg. 42375 (1990) (to be codified at 47 C.F.R. §§ 61, 65, and 69).

SUMMARY OF ARGUMENT

Congress intended to afford protection to telephone company directories when it adopted the Copyright Act of 1976, Pub. L. 94-553, 90 STAT. 2541-98. Copyright protection was afforded directories under decisions interpreting the prior Copyright Act and Congress indicated that the 1976 Act was not intended to overrule these decisions under the prior Act.

Telephone company generated directories contain copyrightable elements which are expressions of "original works of authorship" subject to copyright protection under the Copyright Act of 1976, 17 U.S.C. §§ 101 and 102 (1988).

Telephone company generated directories are also subject to protection under Section 103 of the Copyright Act of 1976. The directories are compilations of material contributed by the telephone companies that are the authors of the telephone numbers and the accompanying listing information which identifies the numerical codes telephone companies create to make it possible for callers to reach specific telephone stations.

The "sweat of the brow" analysis employed by the district court is consistent with judicial precedent left undisturbed by Congress in enacting Section 107 of the Copyright Act of 1976. The requirement of an "independent canvass" is an appropriate test of "fair use" and does not conflict with the congressional policy of encouraging "Science and Useful Arts."

ARGUMENT

I. TELEPHONE COMPANY DIRECTORIES CONTAIN ORIGINAL WORKS OF AUTHORSHIP WHICH MAKE THEM COPYRIGHTABLE.

Telephone company generated directories of subscriber telephone numbers are "literary works" under the Copyright Act of 1976. Sections 101 and 102 must be read and reviewed together in order to discern the intent of Congress with respect to the protection afforded these directories. Section 101 defines the term "literary work." It provides:

"Literary works" are works, other than audiovisual works, expressed in words, *numbers*, or other verbal or *numerical symbols or indicia*, regardless of the nature of the material objects, such as books, periodicals, manuscripts, phonorecords, film, tapes, disks, or cards in which they are embodied. [Emphasis added.]

17 U.S.C. § 101.

Section 102(a) of the Copyright Act of 1976 provides:

Copyright protection subsists in accordance with this Title [17 U.S.C. §§ 101 *et seq.*], in original works of authorship fixed in any tangible medium of expression, now known or later developed, from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. Works of authorship include the following categories:

(1) literary works:

17 U.S.C. § 102.

The Legislative History of Section 102 explained that this cornerstone provision restates the two fundamental criteria of copyright protection, "originality and fixation in tangible form." H.R. REP. No. 94-1476, 94th Cong., 2d Sess., 51, *reprinted in* 1976 U.S. CODE AND CONG. & ADMIN. NEWS, 5664 states:

The phrase "original work of authorship," which is purposely left undefined, is intended to incorporate without change the standard of originality established by the courts under the present copyright statutes. This standard does not include requirements of novelty, ingenuity, or authentic merit and there is no intention to enlarge the standard of copyright protection to require them.

Congress unquestionably intended to include directories as copyrightable "works of authorship" under Section 102. The legislative history of the 1976 Act specifically refers to "directories" and explains the congressional intent to include them in a protected category under Section 102 and in the explicit list of "literary works" covered by the definition of that term in Section 101. With respect to what is included as a "work of authorship" under Section 102, the House Report states:

The second sentence of § 102 lists seven broad categories which the concept of "works of authorship" is said to "include." [The first of those categories is "literary works."] The use of the word "include," as defined in section 101, makes clear that the listing is "illustrative and not limitative" and that the seven categories do not necessarily exhaust the scope of "original works of authorship" that the bill is intended to protect. Rather, the list sets out the general area of copyrightable subject matter, but with sufficient flexibility to free the courts from rigid

or outmoded concepts of the scope of particular categories.

Id., 53.

Professor Nimmer notes that some may question whether directories are "works of authorship." Nimmer agrees, however, that such works have long been afforded copyright protection and that the Copyright Act breaks no new ground in including them under its protection. *See*, 1 M. & D. Nimmer, *Nimmer on Copyright*, Sec. 2.04 [B] (1990) ("Nimmer").

The legislative history explains why Congress felt it needed to define "literary works" in Section 101:

The four items defined in section 101 are "literary works," "pictorial, graphic, and sculptural works," "motion pictures and audiovisual works", and "sound recordings." In each of these cases, definitions are needed not only because the meaning of the term itself is unsettled but also because the distinction between "work" and "material object" requires clarification.

H.R. REP No. 94-1476 at 54.

The legislative history also makes it clear that the term as used in Sections 101 and 102 did not connote "literary merit or qualitative value" as those terms are understood in ordinary usage but did include directories:

The term "literary works" does not connote any criteria of literary merit or qualitative value: it includes catalogs, directories, and similar factual reference or instructional works and compilations of data.

Id. *See also* Nimmer at 2.04[B].

In its decision below, the District Court said, citing *Hutchinson Telephone Company v. Frontier Directory Co.*, 770 F.2d 128 at 131-32 (8th Cir. 1985), "[t]he court holds that the white pages of a telephone directory constitute original work[s] of authorship and are, therefore, copyrightable under either the provision of 17 U.S.C. U 102 or 103." *Rural Telephone Service Co. v. Feist Publications, Inc.* 663 F. Supp. 214, 218 (D. Kan. 1987). *Hutchinson*, in turn, relies on the legislative history discussed there to conclude that telephone company directories are copyrightable under Section 102. The Court of Appeals for the Tenth Circuit seemingly agrees with *Hutchinson*. It affirmed the district court's opinion in this case without explanation.

NTCA respectfully submits that the courts below were correct in relying on *Hutchinson* to conclude that the white pages of a telephone directory published by the telephone company constitute an original work of authorship under Section 102.

The telephone numbers and listings in the directory published and copyrighted by the telephone company originate with and are produced by the telephone company. The listings in the white pages ordinarily consist of the complete or abbreviated names of all subscribers who agree to be listed in the directory, their telephone numbers, and all or part of their mailing addresses. The essential ingredient in each listing is the telephone number which identifies a particular telephone station. That number is not the result of any random selection process but often represents an acronym or consists of an easy to remember series of numbers. Numbers can only originate with the telephone company. Other information in the white pages simply assists in identifying the person or persons who can be located by calling a particular station number.

Telephone numbers are not just the result of clerical processes. Each published telephone number is a numerical "ex-

pression" that originates with the telephone company. Prior to the utilization of numbers, combinations of alphabets and numbers were used. These codes are produced by the telephone company to enable access to the telecommunications network over which voice and data traffic must travel to complete communications by wire or radio. The codes are published to facilitate communications. Even if state law or regulations did not require publication, telephone companies would have a strong incentive to publish the numbers so as to ensure smooth operations over their networks. The codes enable telephone equipment to properly process and carry the electrical signals which make voice and data transmission over wire and radio possible.⁵ The numbers are not "preexisting facts." They are used by the caller to access customer equipment, such as telephones, facsimile terminals, and modems. They are employed by the telephone company to send signals to telecommunications switches that are either digital or mechanical processors.

These company created codes or numbers change from time to time. Recently, for example, the code or number to call back and forth between Washington, D.C. and the nearby Maryland and Virginia suburbs was changed so that the area code must now be used with the seven numbers previously used to reach stations outside the originating jurisdiction. In addition, numbers and codes have changed historically. Letters of the alphabet were once commonly used as prefixes before a station code to identify the exchange or central office where the telephone company switch directing traffic is located. These alphabetical prefixes have been replaced completely with codes that now use three digits to identify the exchange or central office serving a particular

⁵Increasingly, communications are transmitted by photons traveling in fiber optic cables.

station. Telephone numbers and the types of access codes used to access the telephone network will likely continue to change to accommodate customer growth and new technology such as developments in personal communications services ("PCS").⁶ Today in the United Kingdom where PCS have already been deployed, a separate code is used to access personal portable wireless telephones operating through the use of radio waves in PCS. With new technology, it may soon be possible to reach individuals at any time in any place using a single telephone number or access code.⁷

Congress specifically provided for the protection of "literary works" expressed in numbers or "numerical symbols or indicia" in Section 101. Telephone numbers satisfy the requirement of "expression" as well as that of being "fixed" in a "tangible medium" as is required under Section 102(a). The telephone company's white pages are thus copyrightable listings of numerical "expressions" that are the codes which enable access to the telephone network. These numerical "expressions" constitute the copyrightable elements in the directory. Neither the process of assigning numbers nor the processes which manage telecommunications traffic constitute the subject matter of copyright but the published numbers which originate with the telephone company do.

Similar codes were found copyrightable under Section 4 of the Copyright Act of 1909, 34 STAT., Ch. 320 (recodified 1947, repealed 1976), the predecessor of Section 102. *See, Reiss v. National Quotation Bureau, Inc.*, 276 F. 717, 718-719 (D.C.S.D.N.Y. 1921), where Judge Learned Hand held that a blank code book which contains meaningless coined words

⁶*See*, Personal Communications Services Notice of Inquiry, 5 FCC Rcd 3995 (1990).

⁷*Id.*

prepared for use as a cable code book for cable companies contained copyrightable "writings," saying:

A pattern or an ornamental design depicts nothing; it merely pleases the eye. If such models or paintings are "writings," I can see no reason why words should not be such because they communicate nothing. They may have their uses for all that, aesthetic or practical, and they may be the productions of high ingenuity, or even genius.

See also, Hartfield v. Peterson, 91 F.2d 998, 1000 (2d. Cir. 1937), holding that a telegraphic code book was copyrightable as a compilation under Section 6 of the Copyright Act of 1909, (the predecessor of Section 103) but concluding that original phrases and sequences could not be copied from the work when the statute allowed copyright of the compilation.

II. THE WHOLESALE COPYING OF NAMES AND NUMBERS FROM THE TELEPHONE COMPANY WHITE PAGE DIRECTORY FOR THE PURPOSE OF PRODUCING A COMPETING DIRECTORY IS NOT "FAIR USE."

Because the issue before the Court is whether the telephone company's copyright in its directory prevents access to the directory as a source of names and numbers for compiling a competing directory, it is necessary to consider whether the "fair use" doctrine permits copying for that purpose. In its analysis of this issue, the district court assumed that Rural's directory was a "compilation." It relied on *Jewelers Circular Publishing Co. v. Keystone Publishing Co.*, 281 F. 83 (2d Cir.), *cert. denied*, 259 U.S. 581 (1922) and *Central Telephone Co. of Virginia v. Johnson Publishing Co.*, 526 F. Supp. 838 (D.

Colo. 1981) to conclude that Feist's "extensive copying" was not "fair use." *Rural*, 663 F. Supp. at 219.

Jewelers holds that infringement occurs if the alleged infringer uses the copyright owner's directory as the source from which he first copies the copyright owner's entries wholesale instead of a reference against which he verifies his list. 281 F. at 92. This so-called "sweat of the brow" or "independent canvass" test in *Jewelers* was criticized by Nimmer on the ground that the cases fail to apply the standard of originality as it is understood in the law of copyright. See *Nimmer* at 3.04.

Error did not occur in this case because the district court employed the standard of originality in concluding that *Rural*'s directory was a "work of authorship" under Section 102 as well as under Section 103. The question of "fair use" arose, as it must, after the court determined that *Rural*'s directory was "copyrightable." The determination of "fair use" does not require a separate or different finding of "originality."

Fair use is "a privilege in others than the owner of the copyright to use the copyrighted material in a reasonable manner without his consent." *Harper & Row Publishers v. Nation Enterprises*, 471 U.S. 539, 549 (1985). The Copyright Act of 1976 lists the factors which shall be considered in determining fair use. They follow:

- (1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes;
- (2) the nature of the copyrighted work;
- (3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and
- (4) the effect of the use upon the potential market for or value of the copyrighted work.

17 U.S.C. § 107.

In *Harper & Row*, this Court noted:

The statutory formulation of the defense of fair use in the Copyright Act reflects the intent of Congress to codify the common-law doctrine. [citing 3 *Nimmer* at 13.05.] Section 107 requires a case-by-case determination whether a particular use is fair, and the statute notes four nonexclusive factors to be considered. This approach was intended to restate the . . . judicial doctrine of fair use, not to change, narrow, or enlarge it in any way. [citing H.R. REP. No. 94-1476 at 66, 94th Cong., 2nd Sess. (1976).],

471 U.S. at 549.

The district court's reliance on *Jewelers* in this case did not conflict with any of the nonexclusive factors listed in Section 107. Feist's competing directory and others like it are of an obvious commercial nature. The "sweat of the brow" doctrine and the first factor listed in Section 107 takes account of the purpose and character of the rival's use of copyrighted material. Copyright owners are obviously injured by wholesale copying of their works for competing commercial purposes. The "sweat of the brow" doctrine rejects as unreasonable any such use which deprives the author of the benefits of his labor and the public of the benefits the Copyright Law is intended to provide. Feist and similar companies publish yellow page advertising for the purpose of generating revenues. *Rural*, 663 F. Supp. at 217. It is generally agreed, however, that advertising does not sell unless white page telephone listings are included in the books. *Rural*'s copyrighted telephone directory and others like it produced by the telephone company are in a category of works specifically singled out for continued protection in the Copyright Act of 1976. The court noted that this particular case involved admissions

of extensive copying by Feist which satisfied the test that it need not make a separate finding of "substantial similarity" under *Durham Industries, Inc. v. Tony Corp.*, 630 F.2d 905, 911-12 (2d Cir. 1980). *Rural*, 663 F. Supp. at 218. Each of these factors could be properly considered to determine whether Feist could legitimately copy Rural's directory without first obtaining Rural's consent.

The "sweat of the brow" doctrine embraced by the district court does reward industriousness. The reward to the industrious "author" of a directory is, however, incidental to the privilege of "limited monopoly" which the Copyright Act is intended to give. Neither a directory nor any other work of authorship can be created without "industriousness." Every author "sweats by the brow." The doctrine merely recognizes that it is in the public interest to accord protection to the work of the author who labors first to create, select, assemble, and coordinate the data included in a catalog or directory. The doctrine is a reasonable way of protecting the original work of a directory author.

The doctrine has its genesis in English law. See, e.g., *Morris v. Wright*, 5 L.R.-Ch. 279, 286 (Ch. App. 1870), where the court announced the independent canvass rule as follows:

[I]n a case such as this [involving a London publisher's charge of copying by a rival business directory] no one has a right to take the results of the labour and expense incurred by another for the purposes of a rival publication, and thereby save himself the expense and labour of working out and arriving at those results by some independent road. If this was not so, there would be practically no copyright in such a work as a directory.

Morris v. Wright recognizes the elemental principle that a

copyright in a directory is worthless without the "independent canvass" requirement which is basic to the "sweat of the brow" doctrine. The abolition of this requirement would discourage the "individual efforts" needed to create the multitude of directories which our society has come to rely on. The "independent canvass" requirement predates the Copyright Acts of 1909 and 1976. See *List Pub. Co. v. Keller*, 30 F. 772 (S.D.N.Y. 1887). The doctrine has been consistently applied in a long line of well-reasoned decisions. See, e.g., *Illinois Bell Telephone Co. v. Haines and Co.*, 905 F.2d 1081, 1085 (7th Cir. 1990); *Rockford Map Publishers, Inc. v. Directory Service Company of Colorado*, 768 F.2d 145, 149 (7th Cir.), cert. denied, 474 U.S. 1061 (1986); *Hutchinson Telephone Co. v. Frontier Directory Co.*, 770 F.2d at 131. It is consistent with the Copyright Act of 1976 which aims specifically at providing protection to registered first expressions. The Act's purpose is to encourage "individual effort" and "advance public welfare through the talents of authors and inventors in 'Science and useful Arts'." *Mazer v. Stein*, 347 U.S. 201, 219 (1954). That purpose cannot be achieved if duly registered first expressions are allowed to be copied and sold for a profit by competing commercial enterprises that need invest no more than a copying machine to reap the rewards of authorship.

CONCLUSION

For the foregoing reasons, the decision of the United States Court of Appeals for the Tenth Circuit should be affirmed.

Respectfully submitted,

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Supreme Court, U.S.

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1990

FEIST PUBLICATIONS, INC.,

Petitioner,

v.

RURAL TELEPHONE SERVICE COMPANY, INC.,

Respondent.

**On Writ Of Certiorari To The United States
Court Of Appeals For The Tenth Circuit**

**BRIEF OF UNITED STATES TELEPHONE
ASSOCIATION AS AMICUS CURIAE IN SUPPORT OF
RURAL TELEPHONE SERVICE COMPANY, INC.**

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QUESTION PRESENTED

Whether the Copyright Act of 1976 affords lesser protection to telephone directories published by telephone companies than it affords to other compilations.

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**BRIEF OF UNITED STATES TELEPHONE
ASSOCIATION AS AMICUS CURIAE IN SUPPORT OF
RURAL TELEPHONE SERVICE COMPANY, INC.**

The United States Telephone Association respectfully submits the attached brief as *amicus curiae* in support of Respondent Rural Telephone Service Company, Inc. ("Rural").¹

¹ This brief is submitted on consent of the parties. The written consents of Petitioner and Respondent have been lodged with the Clerk of the Court.

INTEREST OF AMICUS CURIAE

The United States Telephone Association ("USTA") is the principal trade association of local telephone companies in the United States. It was established in 1897. Local telephone companies, sometimes called exchange carriers, are the primary providers of local telecommunication services in most parts of the United States.

USTA's membership includes nearly 1100 of the nation's approximately 1350 local telephone companies. The membership is comprised of companies of varying size. Some of its members are large telephone companies such as the seven Bell operating companies. The majority are small companies that provide fewer than 10,000 lines.² The interest of USTA in this proceeding is the interest of these diverse local telephone companies.

Telephone directories serve as a means by which use of the telephone is facilitated. Callers value a listing as a unique item: the combination of name, address and number. In addition to the familiar "white pages" telephone directory, local telephone companies compile and publish directories of many kinds, such as directories intended specifically for cellular telephone users, directories targeted at business users, and even multi-state directories available on compact disk. Telephone directories are also published by companies that are not local telephone companies, including other carriers. Some of these directories are for numbers not included in local directories. There is an 800 number directory, for example, and there

² *PhoneFacts For the Year 1989*, United States Telephone Association.

are directories published by corporations and government entities that include numbers not published in local telephone directories.

Changes in technology promise continuing development in the ways in which local telephone companies can publish directories or otherwise make listing information available to the public. For example, there is no technological impediment to the development of computer-accessible telephone directories which would be indistinguishable from other data bases currently afforded copyright protection. Local telephone companies have already begun to develop and offer such directories.

USTA's interest in this proceeding is to demonstrate that there is no basis for creating a judicial exception to statutory copyright protection for telephone directories. There is no reason to dilute the copyright protection of a directory merely because it is published by a local telephone company. The purpose of this brief is to demonstrate that the Copyright Act provides the same protection to telephone directories that it provides to every other compilation.

SUMMARY OF ARGUMENT

Telephone directories come within the term "compilation" as used in the Copyright Act. In every case in which the issue has been presented, the court has decided that telephone directories are copyrightable as compilations. There is nothing in the Copyright Act of 1976 or in its legislative history which indicates that Congress intended to afford telephone directories a lesser scope of protec-

tion than any other type of compilation. Indeed, where Congress wished to exclude works from copyright protection, it did so by specific reference. Thus, it is improper to exclude telephone directories from copyright protection where the directories meet the definition of a compilation as set forth in the Copyright Act. This is the case even if these directories are required to be published by state law or regulation.

Copyright protection must continue to be extended to compilations which include mundane or ordinary facts. Directories of this type serve vital public functions and purposes by bringing such facts together in a useful organized manner. Should copyright protection be denied to such compilations, including telephone directories, the incentive to produce such useful tools will be lost and the public will be deprived of the benefits of such compilations.

ARGUMENT

A. Telephone Directories Are Original Works Of Authorship Entitled To Copyright Protection.

This case is controlled by the Copyright Act of 1976, 17 U.S.C. §101 *et seq.* ("Copyright Act" or "Act"). The purpose of the Act is to promote the public welfare by providing incentives for the creation and distribution of original works of authorship. See *Mazer v. Stein*, 347 U.S. 201, 219 (1954) ("[t]he economic philosophy behind the clause empowering Congress to grant patents and copyrights is the conviction that encouragement of individual effort by personal gain is the best way to advance public welfare through the talents of authors and inventors in 'Science and useful Arts'").

Under the Act, "[c]opyright protection subsists . . . in original works of authorship" *Id.* at §102(a). Works of authorship are defined to include "literary works" (*id.* at §102(a)(1)) such as compilations. The definition of "compilation" in turn clearly encompasses directories such as those published by local telephone companies within the protection of the Copyright Act. Under the Act, a "compilation" is defined as:

a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship. The term "compilation" includes collective works.

17 U.S.C. §101.

As noted by Professor Nimmer, "[t]he definition of 'literary works' [under the Act] . . . is broad enough to include catalogs and directories, and this was, indeed, the legislative intent. Catalogs and directories constitute 'compilations' as that term is defined in the Copyright Act." 1 *Nimmer on Copyright* §2.04[B] at 2-40 - 2-41 (1990). See also *Southern Bell Tel. & Tel. Co. v. Associated Tel. Directory Publishers*, 756 F.2d 801, 809 (11th Cir. 1985) ("Directories are also included within the definition of a 'compilation.'"); *National Research Bureau, Inc. v. Kucker*, 481 F. Supp. 612 (S.D.N.Y. 1979) (shopping center directory); *American Code Co. v. Bensinger*, 282 F. 829 (2d Cir. 1922) (copyright in code book); *No-Leak-O Piston Co. v. Norris*, 277 F. 951 (4th Cir. 1921) (list of piston ring sizes); H.R. Rep. No. 1476, 94th Cong., 2d Sess., reprinted in 1976 U.S. Code Cong. & Ad. News 5659, 5667 ("The term 'literary works' does not connote any criterion of literary merit or qualitative value: it includes catalogs, directories, and similar factual, reference, or instructional works and compilations of data.").

Courts have uniformly held that a telephone directory is an "original work of authorship" and is therefore copyrightable. Telephone directories satisfy this standard because they are created by selecting, coordinating and arranging previously collected and assembled data. *See, e.g., Leon v. Pacific Tel. & Tel. Co.*, 91 F.2d 484, 485 (9th Cir. 1937) (because the creation of a telephone directory involves "collection, editing, compilation, classification, arrangement, [and] preparation" of material, "[s]aid directories constitute new and original literary works, and are the proper subject of copyright"); *M. Kramer Mfg. Co., Inc. v. Andrews*, 783 F.2d 421, 438 (4th Cir. 1986) (telephone directories cited as examples of originality in the arrangement or selection of facts); *Southern Bell Tel. & Tel. Co. v. Associated Tel. Directory Publishers*, 756 F.2d 801, 809 (11th Cir. 1985) ("A telephone directory or any other compilation satisfies the 'original work of authorship' requirement of section 102 where the directory is the product of subjective 'selection, organization, and arrangement of the pre-existing materials.'").

Although telephone directories contain facts which are not themselves copyrightable, courts have agreed that directories are original works which are entitled to protection from wholesale duplication for profit. *See, e.g., Illinois Bell Tel. Co. v. Haines and Co., Inc.*, 905 F.2d 1081, 1085 (7th Cir. 1990) (where public utility compiles alphabetical listing of customers' names followed by street and telephone number, such a compilation is copyrightable because it reflects originality), *petition for cert. filed*, 59 U.S.L.W. 3374 (U.S. Nov. 2 1990) (No. 90-731); *Hutchinson Tel. Co. v. Fronteer Directory Co.*, 770 F.2d 128, 131 (8th Cir. 1985) ("As to originality, where a telephone directory is assembled from data collected and constantly revised by the telephone company, courts consistently have

held that such a directory is copyrightable. It is evident that a directory compiled by a telephone company *from its internally maintained records* may be said to be independently created." (emphasis added) (citation omitted)). *See also Konor Enter., Inc. v. Eagle Publications, Inc.*, 878 F.2d 138, 140 (4th Cir. 1989) (white and yellow pages); *United Tel. Co. v. Johnson Publishing Co.*, 855 F.2d 604, 606 (8th Cir. 1988) (white pages); *Southern Bell Tel. & Tel. Co. v. Associated Tel. Directory Publishers*, 756 F.2d 801, 811 (11th Cir. 1985) (yellow pages); *Farmers Independent Tel. Co. v. Thorman*, 648 F. Supp. 457, 459-61 (W.D. Wis. 1986) (white and yellow pages copyrightable though infringement not proved); *Central Tel. Co. v. Johnson Publishing Co.*, 526 F. Supp. 838, 843-44 (D. Colo. 1981) (white pages); *Northwestern Bell Tel. Co. v. Bedco of Minnesota, Inc.*, 501 F. Supp. 299, 301 (D. Minn. 1980) (yellow pages).

B. A Telephone Directory Is Not Entitled To Lesser Protection Than Other Compilations.

In addition to telephone directories, courts have held that other types of collections of facts qualify as compilations and are entitled to protection under the Copyright Act. These include catalogs, *e.g., R.R. Donnelley & Sons Co. v. Haber*, 43 F. Supp. 456 (E.D.N.Y. 1942), credit rating lists, *e.g., Cravens v. Retail Credit Men's Ass'n.*, 26 F.2d 833 (M.D. Tenn. 1924), and industry information directories, *e.g., Schroeder v. William Morrow & Co.*, 566 F.2d 3 (7th Cir. 1977). There is nothing in the Copyright Act to suggest that a compilation's copyright protection is dependent upon the type of compilation it is, or that different rules should apply depending on the type of compilation. To articulate such a rule would constitute a judicial amendment of the Act, a power not conferred on the courts or justified by the circumstances.

Petitioner, Feist Publications, Inc. ("Feist"), and certain *amici* suggest that telephone directories are entitled to lesser protection under the Act because most telephone companies are required by state law to publish a directory. Brief for Petitioner at 22-23; Brief for ADAPSO at 11; Brief for Haines and Co. at 11. There is no support for that suggestion. While the Copyright Act contains certain narrow exceptions in its protection of original works of authorship (*see, e.g.*, 17 U.S.C. §105 (no copyright for U.S. government or works of its employees in the course of their official duties)), the exceptions do not include compilations such as telephone directories. *See Hutchinson*, 770 F.2d at 132 (white pages directory copyrightable despite state law requirement that telephone company publish such directory). As this Court confirmed, an official state reporter of court decisions, who was required by statute to publish such decisions, owned the copyright in his compilation of such decisions. *Callaghan v. Myers*, 128 U.S. 617, 647 (1888).

Courts have refused the invitation to create exceptions to the Copyright Act. "Where Congress has enacted a clear and comprehensive statute pursuant to a broad constitutional grant of power, as it has here, it is not for the courts to undermine legislative intent by carving out exceptions that Congress did not choose to make." *Hutchinson*, 770 F.2d at 132, *relying on Commissioner of Internal Revenue v. Gordon*, 391 U.S. 83, 93 (1968); *West Publishing Co. v. Mead Data Central, Inc.*, 799 F.2d 1219, 1225 (8th Cir. 1986), *cert. denied*, 479 U.S. 1070 (1987) (in the absence of a *per se* rule excluding copyright protection to case arrangements, "the arrangement must be evaluated in light of the originality and intellectual-creation standards."). A state law requirement that a telephone company publish a directory cannot deprive the di-

rectory of copyright protection absent clear legislative intent.

C. The Copyright Act Protects the Industrious Collection, Selection and Arrangement of Facts In Works Such As Telephone Directories.

It is argued that some courts of appeal, in contravention of the Act, do not require originality of expression in the selection or arrangement of data as a condition to providing copyright protection for a compilation. *See* Brief for Petitioner at 16; Brief for North American Directory Publishers ("NADP") at 12. It is further argued that to grant copyright protection to a fact compilation such as a telephone directory both destroys the distinction between unprotected fact and protected expression, *see* Brief for Haines and Co. at 8, and improperly protects a purely functional expression of fact, *see* Brief for NADP at 11-12. These arguments ignore the originality of expression reflected in a telephone directory.

Contrary to Feist's contention, the courts have not recently weakened the protection under the Act accorded compilations which reflect the industrious collection and arrangement of facts. *Rockford Map Publishers, Inc. v. Directory Serv. Co.*, 768 F.2d 145 (7th Cir. 1985), *cert. denied*, 474 U.S. 1061 (1986); *Southern Bell Tel. & Tel. Co. v. Associated Tel. Directory Publishers*, 756 F.2d 801 (11th Cir. 1985); *Eckes v. Card Prices Update*, 736 F.2d 859 (2d. Cir. 1984). The courts' continuing protection of compilations of fact demonstrates both a consistent application of the Act, and a recognition that the policies which underlie the Act require copyright protection for the work product which a compiler creates through skillful effort.

From a policy viewpoint, the need to provide copyright protection for compilations, particularly compilations of

what some might describe as mundane factual data, is stronger than ever. Access to organized factual information presumably permits a user with a need for such information to obtain and use it more efficiently than if the user had to search for the information among diverse sources. A simple example is the guide which contains the public domain schedule of flights to and from North American cities. A person who wants to plan air travel can do so much more efficiently by consulting the published guide which reflects all flights than by calling each airline to determine whether and if so when a particular airline has a flight to a particular city. A competitor with access to the guide can copy and publish it for profit. If the first compiler of such a guide were unable to protect it under the Act from competitors who copied the guide and sold it competitively, the first compiler would likely have little incentive to continue publication of a complete and accurate guide. As a result, the public would be deprived of a useful and accurate compilation of data.

An airline guide is but a single example of the many compilations of information which make daily life more efficient. See Brief for ADAPSO at 8-9. If the Copyright Act did not assure the authors of such compilations the right to exploit their works in the marketplace, the incentive to create and publish such works would evaporate. See *id.* at 20-21. Thus, the attack by Feist on well-settled and well-reasoned authority which recognizes why compilations of information qualify for copyright protection is without merit.

While "[t]he copyrightability of factual compilations . . . presents intellectual difficulties in determining where protectable copying of facts ends and unlawful copying of the compilation begins," *Rand McNally & Co. v. Fleet Management Systems*, 634 F. Supp. 604, 608 (N.D. Ill. 1986),

a telephone directory is a work which easily qualifies as a protectable compilation of fact. Rural's and other telephone companies' directories are compiled through the use of judgment in the generation, selection, coordination and arrangement of facts. For example, a telephone company must regularly alter each edition of its directories to add new subscribers, delete subscribers who terminate service and exclude subscribers with "unlisted" numbers. It also may include original fictitious listings to help identify copying. A telephone company must often also decide what geographic areas its directories will cover. A telephone company must also select an appropriate typeface and size of listings, and decide on features that assist the user, such as the recently adopted practice of using surnames as subheadings in the directory. The collection, selection and arrangement of facts for a telephone directory, some of which (the subscribers' telephone numbers) are contributed by the telephone company, require skillful attention to a myriad of details. Thus, such directories are clearly as eligible for copyright protection as other directories. Compare *Hutchinson Tel. Co.*, 770 F.2d at 132; *Rand McNally & Co.*, 634 F. Supp. at 607 (finding that mileage guides are copyrightable where the "collection of numerous maps and the arrangement of data from those maps into tables and segmented maps involves a 'new arrangement or presentation of facts'"); *Eckes v. Card Prices Update*, 736 F. 2d at 863 (plaintiff's list of 5,000 "premium" baseball cards chosen from 18,000 cards involved "selection, creativity and judgment" and was, therefore, copyrightable.).

The case law cited by Feist as rejecting the so-called "sweat of the brow" doctrine provides no rationale for denying copyright protection to a telephone directory. In *Financial Information v. Moody's Investors Serv.*, 808

F.2d 204 (2d Cir. 1986), defendant's non-infringing copying of plaintiff's Daily Bond Cards involved duplication of five basic facts which plaintiff itself had copied from other published "tombstone" announcements. In *Worth v. Selchow & Righter Co.*, 827 F.2d 565 (9th Cir. 1987), cert. denied, 485 U.S. 977 (1988), defendant's publication and marketing of a trivia encyclopedia involved merely reorganizing the factual questions and answers included in a popular game. In *Miller v. Universal City Studios, Inc.*, 650 F.2d 1365 (5th Cir. 1981), the court permitted a television film to be based on facts contained in a book about a famous kidnapping. In *Cooling Systems & Flexibles, Inc. v. Stuart Radiator, Inc.*, 777 F.2d 485 (9th Cir. 1985), plaintiff's catalog of radiator parts had been published without complying with copyright requirements, was limited in scope, was itself created from easily accessible facts and reflected a limited means of expressing the data. Telephone directories, unlike the works involved in the above cases, embody the industrious and skillful collection of facts, the selection of certain of those facts for publication and the arrangement of those facts in a logical manner.

Moreover, there is nothing in the Act that suggests that Congress intended to alter the settled rule that no use of a copyrighted directory by a second compiler is lawful, other than as a check after the second compiler has undertaken an independent canvass for the purpose of preparing his own directory. Indeed, the Seventh Circuit recently succinctly summarized the legality of this practice as follows:

All concede, as Learned Hand said in *Jewelers' Circular*, *supra*, 274 F. at 935, that 'a second compiler may check back his independent work upon the original compilation.' * * * The second compiler must as-

semble the material as if there had never been a first compilation; only then may the second compiler use the first as a check on error.

Rockford Map, 768 F.2d at 149.

No public policy is served by departing from this rule. A competing directory publisher should not be allowed to use another's directory for profit by simply copying it without performing the independent work required by the Act. Indeed, the implication that it is permissible for a second compiler to avoid the labor necessary to obtain the data under the guise of checking the first compiler's work will provide a substantial disincentive to the publication of many useful and necessary directories.

Finally, an alphabetical telephone directory is not a form of expression which is dictated by functional necessity. The principle announced in *Baker v. Selden*, 101 U.S. 99 (1879) (expression of a bookkeeping system not protected because the expression was inseparable from the idea) is inapplicable. Rather, while the alphabetical arrangement of the names of telephone subscribers is useful, such arrangement is not absolutely dictated by function. *See, e.g., Illinois Bell Tel. Co. v. Haines and Co., Inc.*, 905 F.2d 1081 (directories published under "criss-cross" system listing streets in alphabetical order, with street addresses in ascending numerical order, and telephone number adjacent to address, infringed plaintiff's alphabetical directory); *Leon*, 91 F.2d 484 (numerical directory infringed plaintiff's alphabetical directory).

CONCLUSION

The judgment of the court of appeals should be affirmed.

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No. 89-1909

**In The
Supreme Court
of the
United States**

October Term, 1990

FEIST PUBLICATIONS, INC., *Petitioner,*

v.

RURAL TELEPHONE SERVICE COMPANY, INC. *Respondent.*

**ON WRIT OF CERTIORARI TO THE UNITED STATES
COURT OF APPEALS FOR THE TENTH CIRCUIT**

**BRIEF OF BELL SOUTH CORPORATION AS
AMICUS CURIAE IN SUPPORT OF RESPONDENT
RURAL TELEPHONE SERVICE COMPANY, INC.**

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In The
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FEIST PUBLICATIONS, INC.,

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v.

RURAL TELEPHONE SERVICE COMPANY, INC.,
Respondent.

ON WRIT OF CERTIORARI TO THE
 UNITED STATES COURT OF APPEALS
 FOR THE TENTH CIRCUIT

BRIEF OF BELL SOUTH CORPORATION AS
 AMICUS CURIAE IN SUPPORT OF RESPONDENT
 RURAL TELEPHONE SERVICE COMPANY, INC.

THE INTEREST OF AMICUS CURIAE¹

BellSouth Corporation ("BellSouth") is a holding company for two former Bell System operating telephone companies; namely, Southern Bell Telephone and Telegraph Company ("Southern Bell") and South Central Bell Telephone Company ("South Central Bell"). Upon the divestiture of AT&T, BellSouth created BellSouth Advertising & Publishing Corporation ("BAPCO") as a subsidiary for the purpose of creating, compiling, publish-

¹ The written consent of Petitioner and Respondent to the filing of this brief is being filed contemporaneously herewith with the Clerk of the Court.

ing and distributing, among other things, telephone directories. Pursuant to exclusive license agreements between BAPCO and Southern Bell and between BAPCO and South Central Bell, BAPCO is engaged in the business of creating, compiling, publishing and distributing telephone directories, i.e., directories including white pages portions and/or yellow pages portions, in the states of Georgia, Florida, Tennessee, North Carolina, South Carolina, Alabama, Louisiana, Mississippi and Kentucky.² Annually, BAPCO publishes approximately 500 directories for Southern Bell and South Central Bell in these nine states for approximately 18 million subscribers.

Since 1985, BAPCO has been engaged in litigation involving the infringement by various companies of BAPCO's copyrights in its telephone directories. In October 1985, BAPCO brought suit against Donnelley Information Publishing, Inc. ("Donnelley")³ for infringement of BAPCO's copyrights in the yellow pages portions of BAPCO's directories published in Miami and other cities in Florida.

After completing discovery, BAPCO and Donnelley both moved for summary judgment on the issue of copyright infringement. In a thorough and well reasoned opinion, the court found that Donnelley had infringed BAPCO's copyrights. The court noted an apparent difference in reasoning among various courts on the issue of copyrightability of directories, but found it unnecessary

² Southern Bell and South Central Bell license third parties to use their listing information for publication in competing telephone directories.

³ Donnelley is a subsidiary of The Dun & Bradstreet Corporation and a sister company of Donnelley Marketing, Inc., one of the amici in the present case in support of the Petitioner.

to resolve that difference because BAPCO's directories met all of the standards applied by the courts:

Some courts have applied a "sweat of the brow" test to determine whether a particular compilation is copyrightable. . . . Other courts apply a "selection, coordination or arrangement" test in assessing copyrightability. Although the Court prefers the "selection, coordination or arrangement" test, it is not clear which test the Eleventh Circuit adopted in *Assoc. Tel. Directory [Southern Bell Tel. & Tel. Co. v. Associated Tel. Directory Publishers]*, 756 F.2d 801 (11th Cir. 1985). It is clear, however, that BAPCO's directory meets both tests.

BellSouth Advertising & Publishing Corp. v. Donnelley Information Publishing, Inc., 719 F. Supp. 1551, 1557 (S.D. Fla. 1988), *appeal docketed*, No. 89-5131 (11th Cir. February 6, 1989) (emphasis added) (footnotes omitted). In addition to finding that BAPCO had expended great time, effort and expense in compiling its directories, the court found that BAPCO's directories were the result of numerous acts of collection, assembly, selection, coordination and arrangement all of which was copied by Donnelley, *id.* at 1557-58 ("These acts include selection of the geographical area to be covered by a directory; . . . and selection of the date of closing the directory.") (citation omitted).

The court found Donnelley's copying constituted three separate acts of copyright infringement. "[T]he Court gleans from the record, three acts of copying. These include keying the information into the computer, preparing the sales lead sheets and publishing the Donnelley directories." *Id.* at 1559.

Donnelley appealed the decision of the district court to the United States Court of Appeals for the Eleventh Circuit. Donnelley alleged as an error by the district court that the material copied by Donnelley was not a substantial copying of copyrightable expression from the BAPCO directories, i.e., the selection, coordination or arrangement of the facts contained in said directories was not copied. The appeal has been briefed and argued and is presently under consideration by the Eleventh Circuit.⁴

On April 20, 1989, Donnelley Marketing, Inc. ("Donnelley Marketing"), a sister company of Donnelley, brought a declaratory judgment action against BAPCO.⁵ Donnelley Marketing is in the business of providing direct marketing services to customers throughout the United States through use of its national consumer database. Donnelley Marketing's database contains the names, addresses and telephone numbers of over 80 million American households. Donnelley Marketing obtains names, addresses and telephone numbers to update its national consumer database by copying white pages telephone directories, including copyrighted white pages telephone directories published by BAPCO. In its complaint, Donnelley Marketing requested the court to declare that BAPCO's white pages telephone directories are not copyrightable subject matter and that the information which Donnelley copied from those directories was not protected by BAPCO's copyrights because the copied

⁴ Donnelley filed a motion with the Eleventh Circuit requesting that the court stay its consideration of the appeal pending this Court's ruling in the present case. The Eleventh Circuit denied Donnelley's motion without comment.

⁵ That lawsuit is styled *Donnelley Marketing, Inc. v. BellSouth Advertising & Publishing Corp.*, United States District Court for the Eastern District of North Carolina, Raleigh Division, Civil Action No. 89-302-CIV-5-BR.

names, addresses and telephone numbers were noncopyrightable facts.

In that lawsuit, BAPCO contends that its white pages telephone directories are indeed copyrightable subject matter because of the tremendous amount of effort, judgment, skill and expense required to collect and assemble material for its directories and because of numerous acts of selection, coordination and arrangement performed in the compilation and publication process. For example, BAPCO's acts of selection include, among others, selection of a geographic scope for each of its telephone directories,⁶ selection of a directory close date⁷ and selection of a multitude of other compilation practices which affect the particular selection of listings eventually published in each directory.

BAPCO has also filed lawsuits against other companies for infringement of BAPCO's copyrights in its directories. Those cases are as follows: *BellSouth Advertising & Publishing Corp. v. American Business Lists, Inc.* and *American Business Information, Inc.*, United States Dis-

⁶ The geographic scope of a directory is the geographic area which the directory covers. Only a small portion of all Southern Bell telephone subscribers appear in any one directory. BAPCO selects which of Southern Bell's millions of telephone service subscribers will appear in a particular directory by determining the appropriate geographic coverage of that directory.

⁷ The telephone subscribers for Southern Bell and South Central Bell are in a state of constant change; telephone service is discontinued, new service is begun and telephone numbers are changed. Approximately one-third of the listings in BAPCO's directories change from one year to the next. The directory close date is the date after which new Southern Bell telephone service subscribers should not appear in a particular directory. BAPCO, however, has certain policies which permit BAPCO to subjectively determine whether a Southern Bell subscriber will appear in a directory even after the directory close date.

trict Court for the Northern District of Georgia, Atlanta Division, Civil Action No. 1:90-CV-149-MHS; and *BellSouth Advertising & Publishing Corporation v. EKI, Inc.*, United States District Court for the Northern District of Georgia, Atlanta Division, Civil Action No. 1:90-CV-971-MHS. No substantive rulings or orders have been issued in either of the foregoing cases.

Although the present case does not bear directly on all of the issues involved in the foregoing cases, the holding of this Court in the present case may have an effect on some of the issues in those cases. At a minimum, however, the ruling by this Court in the present case will affect BAPCO's ability to enforce its copyrights in its directories against future infringers who engage in copying activities similar to those of Petitioner, Feist Publications, Inc. ("Feist").

SUMMARY OF ARGUMENT

A. Prior to the Copyright Act of 1976, courts consistently found compilations of preexisting material, such as telephone directories, to be copyrightable subject matter.

It is contended in the petition for certiorari that an alleged conflict exists among the circuits as to the basis for copyrightability and infringement of white pages telephone directories published by a local telephone company. BellSouth submits that no such conflict exists. Courts in the various circuits have uniformly and consistently found telephone directories published by local telephone companies to be copyrightable and the copying of the compilation of names, addresses and telephone numbers contained therein to be copyright infringement.

Courts, construing the Copyright Act of 1909 (the "1909 Copyright Act"), as well as the Copyright Act of 1976 (the "1976 Copyright Act"), have consistently found directories, including telephone directories, to be copyrightable subject matter. These directories were held to be copyrightable based on different standards, *e.g.*, the investment of labor, skill and judgment, or the arrangement of preexisting material. BellSouth is not aware of a single case decided under either the 1909 Copyright Act or the 1976 Copyright Act in which a telephone directory has been found not to be copyrightable.⁸

B. The legislative history of the Copyright Act of 1976 demonstrates the Congressional intent to include as "original works of authorship," and thereby extend copyright protection to, compilations, such as telephone directories.

The copyrightability of directories, including telephone directories, is controlled by 17 U.S.C. §102 (1976). Section 102(a) provides that copyright protection extends to "original works of authorship" which specifically include "literary works." The legislative history of Section 102 demonstrates that "literary works" were intended to include catalogs, directories, and similar factual, reference, or institutional works and compilations of data, such as computer databases.

In enacting the 1976 Copyright Act, Congress intended that the term "original works of authorship" should have the same meaning as established by prior judicial decisions under the 1909 Copyright Act. Under that Act, directories, including telephone directories,

⁸ *Cf. Black's Guide, Inc. v. Mediamerica Inc.*, 16 U.S.P.Q.2d 1769 (N.D. Cal. 1990) (a recent district court case distinguishable because it does not relate to a telephone directory.)

were consistently found by the courts to be copyrightable subject matter. Those courts found that telephone directories constituted copyrightable subject matter by the application of either the "sweat of the brow" standard of originality or the "arrangement" standard of originality. Accordingly, telephone directories found to be "original works of authorship" under both standards were intended by Congress to be copyrightable subject matter under the 1976 Copyright Act. The definition of a compilation in Section 101 of the 1976 Copyright Act therefore encompasses compilations created by "sweat of the brow" or by "arrangement."

C. The scope of copyright protection for compilations is determined by whether the copyrightable expression was copied.

Section 103 of the 1976 Copyright Act provides that the copyright in a compilation extends only to the material contributed by the author and not to the preexisting material. The copying of a single fact from a copyrighted compilation therefore clearly does not constitute copyright infringement because the copyright does not extend to that lone fact. However, when there has been a substantial copying of the copyrightable expression of those facts, i.e., a substantial copying of the compilation, copyright infringement should be found.

The Copyright Law was enacted to protect against the unauthorized commercial exploitation of a copyrighted work. The progress of science and the useful arts is promoted by protecting the copyrightable expression of a compilation. This basic premise of Copyright Law would be frustrated if a copier were allowed to appropriate for commercial benefit the substance of a compilation.

ARGUMENT

A. Prior to the Copyright Act of 1976, courts consistently found compilations of preexisting material, such as telephone directories, to be copyrightable subject matter.

Petitioner in this case claims that there is a conflict in the circuits as to the appropriate test to apply to copyrightability of compilations, asserting a distinction between courts applying a "sweat of the brow approach" and courts requiring an "arrangement" standard. Upon close examination of these cases, there is in fact no conflict as all courts have recognized that the type of work employed in creating a telephone directory is deserving of protection. These allegedly different tests are simply different articulations relating to the same "originality" inquiry described below.

The history of the unwavering protection of copyrights in directories, including telephone directories, prior to the 1976 Copyright Act is both important and informative.⁹ Since the legislative history of the 1976 Copyright Act makes it clear that the standards for copyrightability established by the courts under the 1909 Copyright Act were to be incorporated without change, a review of the judicial decisions relating to the copyrightability of directories under the 1909 Copyright Act will therefore be informative.

⁹ It is remarkable that Feist avoids a discussion of the long line of telephone directory copyright cases. The implication of that oversight, however, is clear. These cases demonstrate a clear judicial intention to protect telephone directories from those who would exploit them for personal profit.

1. Under the 1909 Copyright Act, directories were found to be copyrightable subject matter.

Prior to the 1976 Copyright Act, directories uniformly enjoyed a long and unbroken series of decisions sustaining copyright protection. One of the earliest and now a landmark decision involving copyright protection for telephone directories was *Leon v. Pacific Tel. & Tel. Co.*, 91 F.2d 484 (9th Cir. 1937). In that case, Pacific Telephone compiled and published a conventional white pages telephone directory including the name and address and corresponding telephone number of subscribers arranged in alphabetical order. The defendant copied the listings from the plaintiff's telephone directory and re-arranged them into telephone number order. That is, the defendant's directory included the same collection or selection of listings copied from the plaintiff's directory but they were arranged in numerical order based on telephone number.¹⁰

In concluding that Pacific Bell's directory was entitled to copyright protection, the court noted:

That a directory may be copyrighted is well settled. The principle is recognized in the statute (Act of March 4, 1909, ch. 320, §5, 35 Stat. 1076): 17 U.S.C.A. §5). . . .

Leon, 91 F.2d at 486.

The court also determined that the telephone directory was copyrightable subject matter based on the effort or labor expended by the author in preparing the compilation. This basis for finding compilations to be original works of authorship, and therefore, copyrightable subject

¹⁰ Such directories are often referred to as inverted or criss-cross directories.

matter, is sometimes termed "sweat of the brow."¹¹ In explaining the "sweat of the brow" standard of originality, the *Leon* court relied upon *Jeweler's Circular Publishing Co. v. Keystone Publishing Co.*, 281 F. 83 (2d Cir.), cert. denied, 259 U.S. 581 (1922).

Prior to the 1976 Copyright Act, the copyrightability of directories based on the investment of labor, skill or judgment was not limited to telephone directories. Other types of directories were also found to be copyrightable subject matter based upon the "sweat of the brow" standard of originality. *Schroeder v. William Morrow & Co.*, 566 F.2d 3 (7th Cir. 1977) was one such case. *Schroeder* involved a gardening directory entitled "The Green Thumbbook." "The Green Thumbbook" included listings of the names and addresses of suppliers of seeds, plants, publications, and other items useful to gardeners. In the preparation of its own directory, the defendant copied the names and addresses appearing on 27 of 63 pages (approximately 43%) of "The Green Thumbbook." This copied material amounted to approximately one percent of the material in the defendant's directory.

In finding "The Green Thumbbook" to be copyrightable subject matter, the court stated:

An original compilation of names and addresses is copyrightable even though the individual names and addresses are in the public domain and not copyrightable. [Citations to *Leon* and *Jeweler's Circular* omitted.] As the latter case observed, only "industrious collection," not originality in the sense of novelty, is required. . . .

¹¹ The "sweat of the brow" standard of originality is also known by several other equivalent terms, such as "industrious collection," "effort" and "labor."

The copyright protects not the individual names and addresses but the compilation, the product of the compiler's industry. . . .

Defendants are not exonerated by the fact that the compilers of their book copied only the names and addresses and not the accompanying descriptive material that appeared in plaintiff's book. The copyright protected not merely the descriptive material but also "the selection, the ordering and arrangement" of the names and addresses. *Edwards & Deutsch Lithographing Co. v. Boorman*, 15 F.2d 35, 36 (7th Cir.), cert. denied, 273 U.S. 738 (1926). Plaintiff's catalog would have been copyrightable without the descriptive material. The inclusion of that material, which was also copyrightable, did not destroy the protection the law affords the compilation of names and addresses.

Id. at 5-6 (emphasis added).¹² The holding in *Schroeder* was recently approved by this Court which observed that

¹² The language "the selection, the ordering and arrangement" in *Schroeder* was taken from *Edwards & Deutsch Lithographing Co. v. Boorman*, 15 F.2d 35 (7th Cir. 1926), cert. denied, 273 U.S. 738 (1926) which quoted Justice Clifford in *Lawrence v. Dana*, Fed. Cas. No. 8,136 as follows:

Copyright may justly be claimed by an author of a book who has taken existing materials from sources common to all writers, and arranged and combined them in a new form, and given them an application unknown before, for the reason that, in so doing, he has exercised skill and discretion in making these selections, arrangements, and combinations, and, having presented something that is new and useful, he is entitled to the exclusive enjoyment of his improvement, as provided in the copyright act.

Edwards & Deutsch Lithographing Co., 15 F.2d at 36. Justice Clifford's language in *Lawrence v. Dana* may well be the origin of the

the "[c]reation of a nonfiction work, even a compilation of pure fact, entails originality." *Harper & Row, Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 547 (1985) (emphasis added).

The foregoing only briefly discusses cases deciding the copyrightability of compilations under the 1909 Copyright Act by applying the "sweat of the brow" standard of originality.¹³ The following is a list of additional cases decided under the 1909 Copyright Act applying the "sweat of the brow" standard: *Donald v. Zack Meyer's T.V. Sales and Serv.*, 426 F.2d 1027 (5th Cir. 1970); *Orgel v. Clark Boardman Co.*, 301 F.2d 119 (2d Cir. 1962); *Amsterdam v. Triangle Publications, Inc.*, 93 F. Supp. 79 (E.D. Pa. 1950); *Adventures in Good Eating v. Best Places to Eat*, 131 F.2d 809 (7th Cir. 1942); *Hartfield v. Peterson*, 91 F.2d 998 (2d Cir. 1937); *Southwestern Bell Tel. Co. v. Nationwide Indep. Directory Serv., Inc.*, 371 F. Supp. 900 (W.D. Ark. 1974); *Baldwin Cooke Co. v. Keith Clark, Inc.*, 383 F. Supp. 650 (N.D. Ill. 1974); *Cincinnati & Suburban Tel. Co. v. Brown*, 44 F.2d 631 (S.D. Ohio 1930); *American Travel & Hotel Directory Co. v. Gehring Publishing Co.*, 4 F.2d 415 (S.D.N.Y. 1925); *Jeweler's Circular Publishing Co. v. Keystone Publishing Co.*, 281 F. 83 (2d Cir.), cert.

definition of a compilation in the 1976 Copyright Act. 17 U.S.C. § 101 (1976).

¹³ The "sweat of the brow" standard of originality was not a creature born of the 1909 Copyright Act. The standard was liberally applied by the courts under the prior copyright act. The following cases applying the "sweat of the brow" standard predate the 1909 Copyright Act: *Social Register Ass'n v. Murphy*, 128 F. 116 (D.R.I. 1904); *American Trotting Register Ass'n v. Gocher*, 70 F. 237 (N.D. Ohio 1895); *Brunell v. Chown*, 69 F. 993 (N.D. Ohio 1895); *Hanson v. Jaccard Jewelry Co.*, 32 F. 202 (E.D. Mo. 1887).

denied, 259 U.S. 581 (1922); *American Code Co. v. Bensinger*, 282 F. 829 (2d Cir. 1922).¹⁴

The "sweat of the brow" standard of originality was not only an existing standard for originality of compilations applied by the courts under the 1909 Copyright Act, it was a prominent standard. It was not until after the enactment of the 1976 Copyright Act that the "sweat of the brow" standard began to be questioned by some courts and commentators. As will be shown below, however, the legislative history of the 1976 Copyright Act discloses that no displeasure was expressed with respect to the existing standards of originality under the 1909 Copyright Act. The 1976 Copyright Act was not adopted to resolve any alleged split among the circuits as to the standard of copyrightability of compilations or to correct an improper standard of originality then being applied by the courts. In fact the opposite was true. The "sweat of the brow" standard of originality was alive and well at the time of the drafting of the 1976 Copyright Act and Congress expressly decided to adopt the existing standards of originality as expressed by the courts at that time.

¹⁴ The "sweat of the brow" standard of originality continues to be applied by the courts under the 1976 Copyright Act. Cases decided under the 1976 Copyright Act which based copyrightability on this standard include: *United Tel. Co. v. Johnson Publishing Co.*, 671 F. Supp. 1514 (W.D. Mo. 1987), *aff'd*, 855 F.2d 604 (8th Cir. 1988) [telephone directory]; *Hutchinson Tel. Co. v. Fronteer Directory Co.*, 770 F.2d 128 (8th Cir. 1985) [telephone directory]; *Rand McNally & Co. v. Fleet Management Sys.*, 600 F. Supp. 933 (N.D. Ill. 1984) [mileage table on map]; *National Business Lists, Inc. v. Dun & Bradstreet, Inc.*, 552 F. Supp. 89 (N.D. Ill. 1982) [credit information]; *Northwestern Bell Tel. Co. v. Bedco of Minnesota, Inc.*, 501 F. Supp. 299 (D. Minn. 1980) [telephone directory]; *Northwestern Tel. Sys., Inc. v. Local Publications, Inc.*, 208 U.S.P.Q. 257 (D. Mont. 1979) [telephone directory].

B. The legislative history of the 1976 Copyright Act demonstrates a Congressional intent to incorporate, without change, the standards of originality established by the courts under the 1909 Copyright Act.

The 1976 Copyright Act was the result of numerous proposed draft bills and extensive hearings, debates and discussions extending over three decades. The movement for general revision of the 1909 Copyright Act began as early as 1924. Between 1961 and 1964, many meetings and discussions were held under the auspices of the Copyright Office. As a result, in 1965, the Copyright Office published "The Supplementary Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law: 1965 Revision Bill." From 1964 to 1975, various versions of the copyright bill were considered and amended by both Houses of Congress. In 1975, the House Judiciary Subcommittee conducted extensive hearings at which nearly 100 witnesses testified. In that same year, the Register of Copyrights issued a "Second Supplementary Report on General Revision of the U.S. Copyright Law." In 1976, 22 days of public mark-up sessions were conducted. The final version of the bill was passed by the House on September 30, 1976, by the Senate on September 30, 1976 and was signed by President Ford on October 19, 1976. The new law became effective on January 1, 1978.

1. Copyrightability under the 1976 Copyright Act is found in "original works of authorship." That term was intentionally left undefined so that the standards of copyrightability established by the courts under the 1909 Copyright Act would not be changed.

The portion of the 1976 Copyright Act addressing copyrightability is Section 102, which provides in pertinent part:

Copyright protection subsists, in accordance with this title, in **original works of authorship** fixed in any tangible medium of expression, now known or later developed, from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. Works of authorship include the following categories:

- (1) literary works

17 U.S.C. § 102(a) (emphasis added).

The legislative history of Section 102 indicates that directories are to be considered copyrightable subject matter as literary works:

The term "literary work" does not connote any criterion of literary merit or qualitative value: it includes catalogs, **directories**, and similar factual, reference, or instructional works and compilations of data. It also includes computer data bases

H.R. Rep. No. 1476, 94th Cong., 2d Sess. 54 (1976) (emphasis added). Furthermore, Section 103 of the 1976 Copyright Act specifically states that compilations, such

as telephone directories, are copyrightable subject matter:

The subject matter of copyright as specified by section 102 includes compilations. . . .

17 U.S.C. § 103(a) (1976). Therefore, Congress undoubtedly intended directories to be copyrightable subject matter under the 1976 Copyright Act.

Section 102 sets forth only two criteria by which copyrightable subject matter, such as a directory, is measured. In order to be copyrightable, a work must be an "original work of authorship" and it must be "fixed in any tangible medium." In the case of telephone directories, the latter requirement is not an issue; a printed telephone directory is unquestionably a tangible medium. The issue is usually whether the white pages portion of the directory constitutes an "original work of authorship."

The legislative history of Section 102 indicates that:

The phrase "original works of authorship" which is purposely left undefined, is intended to incorporate without change the standard of originality established by the courts under the present copyright statute [the 1909 Copyright Act]. This standard does not include requirements of novelty, ingenuity, or esthetic merit, and there is no intention to enlarge the standard of copyright protection to require them.

H.R. Rep. No. 1476, 94th Cong., 2d Sess. 51 (1976); S. Rep. No. 473, 94th Cong., 1st Sess. 50 (1975) (emphasis added). Congress made an intentional decision to leave the term "original work of authorship" undefined and to therefore endorse the standards of originality espoused by the courts under the 1909 Copyright Act.

That this action by Congress was intended and not merely an accident or an oversight is further evidenced by the comments of the Register of Copyrights.

The 1963 "Preliminary Draft for Revised U.S. Copyright Law" defined "original" as follows:

A work of authorship is "original" if it is the independent creation of an author who did not copy it from another source.

Patry, *Copyright in Collections of Facts: A Reply*, 6 Comm. & L. 11, 21 (October 1984) (citing Copyright Law Revision Part 3 at 1) (footnote omitted). The 1964 bills, however, dropped the draft bill definition of "original" authorship. This omission was explained by Register Kaminstein in his 1965 Supplementary Report as follows:

The 1961 Report pointed out that "original creative authorship" is a fundamental criterion of copyright protection under the present law, and recommended that this requirement be specified in the statute. However, when it came to drafting, a great deal of concern was expressed about the dangers of using a word like "creative" in this context. It was argued that the word might lead courts to establish a higher standard of copyrightability than that now existing under the decisions, and that any effort to define "original" could bring about the same undesirable result.

In recognition of these arguments, section 102 of the bill specifies the subject matter of copyright simply as "original works of authorship," without further attempts at definition. Our intention here is to maintain the established

standards of originality without implying any further requirements of aesthetic value, novelty, or ingenuity.

Patry, *supra*, 6 Comm & L. at 25 (citing Copyright Law Revision Part 6 at 3) (emphasis added) (footnote omitted).

Therefore, a directory is copyrightable subject matter as an original work of authorship under Section 102 of the 1976 Copyright Act if it satisfies the standards of originality established by the courts under the 1909 Copyright Act. Accordingly, the 1976 Copyright Act endorsed the copyrightability of directories which were created under the "sweat of the brow" and "arrangement" standards.

2. The definition of a "compilation" in the 1976 Copyright Act includes works produced by "sweat of the brow," as well as "arrangement."

The 1976 Copyright Act defines a compilation as follows:

A "compilation" is a work formed by the collection and assembly of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship.

17 U.S.C. § 101 (1976). Since compilations were intended by Congress to be copyrightable subject matter under both the "sweat of the brow" standard of originality and the "arrangement" standard of originality, the definition of a compilation in Section 101 of the 1976 Copyright Act must encompass both standards of originality. To do

otherwise would be to establish a different or higher standard of copyrightability than existed under the 1909 Copyright Act. Such a result was not intended by Congress. An examination of the legislative history as it applies to the definition of a compilation reveals that the definition does indeed cover compilations created by "sweat of the brow."

The 1963 "Preliminary Draft for Revised U.S. Copyright Law" defined a compilation as follows:

A compilation is a work formed by the collection and assembling of works, parts of works, or material not subject to copyright in a way that, as the result of selection, systematization, coordination, arrangement, or rearrangement, it represents an independent creation.

Patry, *supra*, 6 Comm. & L. at 22 (citing Copyright Law Revision Part 3 at 1-2) (footnote omitted). Although the wording of the definition of a compilation in the 1976 Copyright Act was changed from the definition in the 1963 Preliminary Draft, the Copyright Office, in discussions on the bill, indicated that it:

"had no intention of changing the substantive effect of what we had in the preliminary draft . . . We have rearranged some of the provisions in the preliminary draft but without any intention of changing the meaning."

Patry, *supra*, 6 Comm. & L. at 24 (footnote omitted).

The fundamental difference between the definition of a compilation in the 1963 Preliminary Draft and the 1976 Copyright Act is in the use of the term "independent creation." The term "independent creation" used in the Preliminary Draft was changed to the term "original

work of authorship." The use of the term "original work of authorship" in the definition of a compilation in Section 101 indicates the intent to again leave the standard of copyrightability unchanged; the legislative history indicates that this term was used to avoid the establishment of a different or higher standard of copyrightability than existed under the 1909 Copyright Act.

The definition of a compilation in Section 101 of the 1976 Copyright Act also states that the "resulting work as a whole constitutes an original work of authorship." Although there is no definition of the term "work as a whole" in the 1976 Copyright Act, it should not be construed to change the standard of copyrightability. In light of the previous comments regarding the absence of any intent to make substantive changes from the 1963 Preliminary Draft, it is apparent that the term "work as a whole" has the same meaning as applied to derivative works:

. . . there is no explanation for the inclusion in the definition of "compilation" of the phrase "as a whole," which had previously been found only in the definition of a "derivative work." One can only surmise from the explanation of the phrase's meaning in the derivative work context, and the Register's statement that no substantive change was intended from the 1963 definition, that in determining originality for compilations, e.g., whether the work was independently produced, one looks to the final combination of the "material" as a whole in order to judge whether that combination is original with the compiler. If so, and assuming there are no other bars to protection (e.g., *de minimis* amount, merger of

idea and expression), the compilation is protectible.

Patry, *supra*, 6 Comm. & L. at 24. The language "work as a whole constitutes an original work of authorship" therefore means that one looks to the final combination of material as a whole in order to judge whether that combination is an original work of authorship. Those words do not change the standard of originality as required by Section 102. Furthermore, the legislative history of the 1976 Copyright Act makes it abundantly clear that the intention of Congress in adopting the Act was to maintain the established standards of originality existing under the 1909 Act. Since "sweat of the brow" was an established standard of originality under the 1909 Copyright Act, "sweat of the brow" should be included within the definition of a compilation as it appears in Section 101 of the Act. To do otherwise would be counter to the intent of the legislature.

Where Congress has enacted a clear and comprehensive statute pursuant to a broad constitutional grant of power, as it has here, it is not for the courts to undermine legislative intent by carving out exceptions that Congress did not choose to make.

Hutchinson Tel. Co. v. Frontier Directory Co., 770 F.2d 128, 132 (8th Cir. 1985).

The proper interpretation to be given to the Section 101 definition of a compilation encompasses both the "sweat of the brow" standard of originality and the "arrangement" standard of originality. Such a construction is consistent with the clear legislative intent in enacting that statute. Furthermore, such an interpretation is in accord with the multitude of decisions finding

compilations created by "sweat of the brow," as well as "arrangement," to be protectable.

C. The scope of copyright protection for compilations is determined by whether the copyrightable expression was copied, not by the standard of originality.

Having established that "sweat of the brow" is an appropriate standard for originality, how does it affect the scope of copyright protection in this case? The answer is that it does not affect the scope directly, but, rather, indirectly. The scope of copyright protection is the same whether one applies the "sweat of the brow" standard of originality or the "arrangement" standard of originality. The scope of copyright protection for a compilation is determined by whether the copyrightable expression was copied.¹⁵ *United Tel. Co. v. Johnson Publishing Co.*, 855 F.2d 604, 606 (8th Cir. 1988).

1. The copyrightable expression of a compilation found to be copyrightable under the "sweat of the brow" standard is the selection of the preexisting material contained in the compilation.

The expression "sweat of the brow" has been used to articulate the copyrightable expression of a compilation when its "originality" is in the particular selection of preexisting materials which made up the compilation rather than the format or arrangement of that material. In reality, "sweat of the brow" is merely another way of stating that a work was independently created. The concept of independent creation is inherent in the concept of

¹⁵ The alleged split in the Circuits as to the standard of copyrightability which formed the basis for the grant of certiorari in the present case has no effect upon the scope of copyright protection.

expending labor, skill or effort to collect and assemble material from numerous sources and select, coordinate or arrange that material into a new work. The 1976 Copyright Act defines a compilation as follows:

A "compilation" is a work formed by the collection and assembly of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship.

17 U.S.C. § 101 (1976). The requirement that the preexisting material be "selected, coordinated or arranged" is stated in the disjunctive. Therefore, the presence of any one of those elements satisfies the definition of a compilation. Applying the definition of "the resulting work as a whole" discussed in Section B.2. above, the definition of a compilation could be written as follows: A "compilation" is a work formed by the collection and assembly of preexisting material . . . that are selected . . . in such a way that the [final combination of the material, as a whole, is original with the compiler]. See Patry, *supra*, 6 Com. & L. at 24.

This definition of a compilation perfectly describes a compilation which is copyrightable under the "sweat of the brow" standard.

2. Judicial decisions support the interpretation of the Section 101 definition of a compilation as including the "sweat of the brow" standard of originality.

As discussed above, *Leon v. Pacific Tel. & Tel. Co.*, 91 F.2d 484 (9th Cir. 1937) involved a conventional white page telephone directory published by Pacific Telephone containing listings arranged in alphabetical order. The

defendant copied the listings from Pacific Telephone's directory but the defendant rearranged those listings into street name order. The Pacific Telephone directory was found to be copyrightable based on "sweat of the brow." The effort in collecting the names, addresses and telephone numbers from the multitude of telephone subscribers resulted in an original selection of information. That is, the individual names, addresses and telephone numbers were preexisting information. However, the group of listings which Pacific Telephone gathered together, when considered as a whole, was original in that it was independently created i.e., it was not copied from another source. The copyrightable expression in the Pacific Telephone directory was therefore at least the original selection of listings contained in the directory. See *List Pub. Co. v. Keller*, 30 F. 772, 773 (C.C.S.D.N.Y. 1887) ("They [names and addresses] are original to the extent that the selection is original.").

By copying all of the listings in the Pacific Telephone directory, the defendant in *Leon* copied the copyrightable selection of listings from the Pacific Telephone directory. Therefore, the fact that the defendant rearranged those listings was irrelevant since the same selection of listings was included in the defendant's directory. The defendant was properly found to have infringed the copyright of Pacific Telephone because the defendant's directory was a substantial copy of the copyrightable expression from the copyrighted directory.

This same type of analysis can be made of *Schroeder v. William Morrow & Co.*, 566 F.2d 3 (7th Cir. 1977). As stated above, the copyrighted work in *Schroeder*, "The Green Thumbbook," included listings of the names and addresses of gardening suppliers. The defendant's copying of approximately one-third of the names and ad-

dresses from "The Green Thumbbook" without copying the arrangement of those names and addresses constituted copyright infringement because the defendant made a substantial copy of the same selection of names and addresses from the copyrighted directory.¹⁶

3. Protecting the selection of preexisting material contained in a compilation prepared by "sweat of the brow" is in accordance with the policies underlying the Copyright Law.

Protecting the copyrightable selection of names and addresses in a directory does not frustrate either the provisions of Section 103 of the 1976 Copyright Act or the constitutional basis for copyright protection. Section 103(b) provides, in pertinent part, that:

The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the material.

17 U.S.C. § 103(b) (1976).

In the case of a compilation which is original under the "sweat of the brow" standard of originality, the

¹⁶ A similar analysis can be made of the following cases: *Hutchinson Tel. Co. v. Frontier Directory Co.*, 770 F.2d 128 (8th Cir. 1985); *Eckes v. Card Prices Update*, 736 F.2d 859 (2d Cir. 1984); *United Tel. Co. v. Johnson Publishing Co.*, 671 F. Supp. 1514 (W.D. Mo. 1987), *aff'd*, 885 F.2d 604 (8th Cir. 1988); *National Business Lists v. Dun & Bradstreet, Inc.*, 552 F. Supp. 89 (N.D. Ill. 1982); *Northwestern Bell Tel. Co. v. Bedco of Minnesota, Inc.*, 501 F. Supp. 299 (D. Minn. 1980); *Northwestern Tel. Sys. v. Local Publications*, 208 U.S.P.Q. 257 (D. Mont. 1979); *Southwestern Bell Tel. Co. v. Nationwide Indep. Directory Serv., Inc.* 371 F. Supp. 900 (W.D. Ark. 1974); *List Pub. Co. v. Keller*, 30 F. 772 (C.C.S.D.N.Y. 1887).

selection of the preexisting material which makes up the compilation is the "material contributed by the author." Anyone is free to copy the preexisting material from a directory. What cannot be done is to make a substantial copy of the selection of preexisting materials in a directory because the selection of that material is what is contributed by the author; copyright in a compilation extends to the selection of preexisting materials.

Applying this principle to a telephone directory prepared by "sweat of the brow," the selection of listings contained in the directory is the material contributed by the author.¹⁷ Therefore, copyright protection extends to that selection of listings in the directory. In accordance with the provisions of Section 103(b), one can copy an insubstantial number of the listings contained in the directory. Conversely, one cannot copy every listing in a telephone directory because that is clearly a copying of the original selection of preexisting material from the directory, i.e., the material contributed by the author. It is also clear that it is not necessary to copy the entire selection of listings to infringe the copyright in the directory; a substantial copying of the material contributed by the author constitutes copyright infringement. *Toksvig v. Bruce Pub. Co.*, 181 F.2d 664, 666 (7th Cir. 1950). Where the line is drawn between the making of a substantial copy of a copyrightable compilation and the copying of preexisting materials should be determined by the facts and circumstances of each case.

¹⁷ A telephone directory may also include other elements of copyrightable expression, such as original coordination and/or arrangement of the preexisting material. However, at a minimum, a telephone directory prepared by "sweat of the brow" will possess an original selection of listings.

This degree of protection does not frustrate the constitutional premise of copyright protection. The progress of science and the useful arts is promoted by permitting preexisting material to be copied from the compilation while the interests of the author are protected by prohibiting the substantial copying of the copyrightable expression of the compilation, i.e., the material contributed by the author.

Telephone directories are obviously made to be used. For the most part, they are distributed to telephone service subscribers free of charge. It is the intent of the telephone company that the directories be used to locate the telephone numbers of individuals or businesses so that use of the telephone system will be facilitated. Certainly, one can write down a name, address and telephone number without infringing the copyright in the directory; one can even write down several listings. This type of copying is either *de minimus* or fair use because it is expected by the publisher and it is not the type which adversely effects the ownership rights of the copyright owner. It is the copier, who methodically reproduces substantial portions of the compilation of listings, who violates the Copyright Law. One who copies substantial amounts from a compilation is likely to be performing the copying for commercial, profit making purposes, rather than for the advancement of the useful arts and sciences.

Protection of the property of an author from unauthorized commercial exploitation is the primary function of the Copyright Law. As this Court has made clear "[t]he rights conferred by copyright are designed to assure contributors to the store of knowledge a fair return for their labor" *Harper & Row, Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 546 (1985). The value of a compilation often lies only in the selection of the preexist-

ing materials compiled therein. By definition, the constituent elements are preexisting; in the case of many directories, the constituent elements are in the public domain. Therefore, the only protectable rights that a compiler may possess are frequently founded on the particular selection of the preexisting materials which the compiler has chosen to include in the compilation. It is frequently that selection of material, however, which makes the compilation valuable. To permit a copier to take the substance of a compilation without authorization would frustrate the basic premise of Copyright Law as announced by this Court.

CONCLUSION

It is clear that the legislative intent in enacting the 1976 Copyright Act was to preserve the "sweat of the brow" standard of originality, as well as the "arrangement" standard of originality. Original works which are created by the selection of preexisting material or data from numerous sources are valuable because of the collecting, assembling and selecting of that material for publication in a compilation. Such a compilation must be provided a meaningful degree of protection, lest the incentive to create compilations will be destroyed. The result argued by Feist would not provide any meaningful protection for compilations and is contrary to many decades of decisions and the clear intent of Congress when it enacted the 1976 Act to incorporate the then existing standards of originality.

Respectfully submitted,

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